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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2018

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public
Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2019 calendar year, or tax year beginning 07-01-2018 , and ending 06-30-2019

B Check if applicable
Address change
Name change
Initial return
Final return/terminated
Amended return
Application pending

C Name of organization
ESSENTIA HEALTH
Doing business as
Number and street (or P O box if mail is not delivered to street address) Room/suite
502 E 2ND ST
City or town, state or province, country, and ZIP or foreign postal code
DULUTH, MN 55805

D Employer identification number
20-0360007
E Telephone number
(218) 786-8376
G Gross receipts \$ 398,421,978

F Name and address of principal officer
DAVID HERMAN MD
502 E 2ND ST
DULUTH, MN 55805

H(a) Is this a group return for subordinates?
H(b) Are all subordinates included?
H(c) Group exemption number

I Tax-exempt status
501(c)(3) 501(c) () (insert no) 4947(a)(1) or 527

J Website: WWW ESSENTIAHEALTH ORG

K Form of organization
Corporation Trust Association Other

L Year of formation 2003

M State of legal domicile
MN

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
WE ARE CALLED TO MAKE A HEALTHY DIFFERENCE IN PEOPLE'S LIVES

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a) 13

4 Number of independent voting members of the governing body (Part VI, line 1b) 12

5 Total number of individuals employed in calendar year 2018 (Part V, line 2a) 1,887

6 Total number of volunteers (estimate if necessary) 0

7a Total unrelated business revenue from Part VIII, column (C), line 12 2,421,016

7b Net unrelated business taxable income from Form 990-T, line 34 30,660

Revenue

8 Contributions and grants (Part VIII, line 1h) 82,809 19,928

9 Program service revenue (Part VIII, line 2g) 175,684,961 176,481,882

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 9,559,891 15,006,353

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 3,835,202 2,712,470

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 189,162,863 194,220,633

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3) 28,521 3,290

14 Benefits paid to or for members (Part IX, column (A), line 4) 0 0

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) 136,180,546 143,083,794

16a Professional fundraising fees (Part IX, column (A), line 11e) 0 0

16b Total fundraising expenses (Part IX, column (D), line 25) 0

17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) 43,887,461 39,157,280

18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25) 180,096,528 182,244,364

19 Revenue less expenses Subtract line 18 from line 12 9,066,335 11,976,269

Net Assets or Fund Balances

20 Total assets (Part X, line 16) 396,118,323 419,201,264

21 Total liabilities (Part X, line 26) 219,150,832 220,446,635

22 Net assets or fund balances Subtract line 21 from line 20 176,967,491 198,754,629

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Signature of officer
TRACI MORRIS CHIEF FINANCIAL OFFICER
2020-04-29
Date

Paid Preparer Use Only

Print/Type preparer's name
Firm's name RSM US LLP
Firm's address 227 W 1ST ST STE 700
DULUTH, MN 558021926

Preparer's signature
Date

Check if self-employed
PTIN P00023783
Firm's EIN 42-0714325
Phone no (218) 727-5025

May the IRS discuss this return with the preparer shown above? (see instructions)

Yes No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2018)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐ ☒**1** Briefly describe the organization's mission

WE ARE CALLED TO MAKE A HEALTHY DIFFERENCE IN PEOPLE'S LIVES

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

| | | | | |
|---------------------|---------|-------------------------|------------------------------|---------------------------|
| 4a | (Code) | (Expenses \$ 70,012,066 | including grants of \$ 3,290 | (Revenue \$ 176,481,882) |
| See Additional Data | | | | |

| | | | | |
|-----------|---------|--------------|------------------------|---------------|
| 4b | (Code) | (Expenses \$ | including grants of \$ | (Revenue \$) |
|-----------|---------|--------------|------------------------|---------------|

| | | | | |
|-----------|---------|--------------|------------------------|---------------|
| 4c | (Code) | (Expenses \$ | including grants of \$ | (Revenue \$) |
|-----------|---------|--------------|------------------------|---------------|

| | | | | |
|-----------|--|--------------|------------------------|---------------|
| 4d | Other program services (Describe in Schedule O) | (Expenses \$ | including grants of \$ | (Revenue \$) |
|-----------|--|--------------|------------------------|---------------|

| | | |
|-----------|---|------------|
| 4e | Total program service expenses ▶ | 70,012,066 |
|-----------|---|------------|

Part IV Checklist of Required Schedules

| | Yes | No |
|--|----------------|----|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A | 1 Yes | |
| 2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? | 2 Yes | |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I | 3 | No |
| 4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II | 4 Yes | |
| 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III | 5 | No |
| 6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I | 6 | No |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II | 7 | No |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III | 8 | No |
| 9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV | 9 | No |
| 10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V | 10 | No |
| 11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable | | |
| a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI | 11a Yes | |
| b Did the organization report an amount for investments—other securities—in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII | 11b Yes | |
| c Did the organization report an amount for investments—program related—in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII | 11c Yes | |
| d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX | 11d Yes | |
| e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X | 11e Yes | |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X | 11f | No |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII | 12a | No |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional | 12b Yes | |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | 13 | No |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? | 14a | No |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV | 14b Yes | |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV | 15 | No |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV | 16 | No |
| 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) | 17 | No |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II | 18 | No |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III | 19 | No |
| 20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H | 20a | No |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | 20b | |
| 21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II | 21 | No |
| 22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III | 22 | No |

Part IV Checklist of Required Schedules (continued)

| | | Yes | No |
|------------|--|----------------|----|
| 23 | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> | 23 Yes | |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> | 24a Yes | |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | No |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | 24c | No |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | No |
| 25a | Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> | 25a | No |
| b | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> | 25b | No |
| 26 | Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i> | 26 | No |
| 27 | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> | 27 | No |
| 28 | Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions) | | |
| a | A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | 28a | No |
| b | A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | 28b | No |
| c | An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> | 28c | No |
| 29 | Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> | 29 | No |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> | 30 | No |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | 31 | No |
| 32 | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> | 32 | No |
| 33 | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> | 33 | No |
| 34 | Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> | 34 Yes | |
| 35a | Did the organization have a controlled entity within the meaning of section 512(b)(13)? | 35a Yes | |
| b | If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> | 35b Yes | |
| 36 | Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> | 36 | No |
| 37 | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> | 37 | No |
| 38 | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O | 38 Yes | |

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☒

| | | Yes | No |
|-----------|--|---------------|----|
| 1a | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable | 1a 751 | |
| b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b 0 | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | 1c Yes | |

| | | | | | | |
|--|--|-----------|-------|------------|-----|----|
| 2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | | 2a | 1,887 | | | |
| b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions) | | | | 2b | Yes | |
| 3a Did the organization have unrelated business gross income of \$1,000 or more during the year? | | | | 3a | Yes | |
| b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O | | | | 3b | Yes | |
| 4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | | | | 4a | Yes | |
| b If "Yes," enter the name of the foreign country ▶CJ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) | | | | | | |
| 5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | | | 5a | | No |
| b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | | | 5b | | No |
| c If "Yes," to line 5a or 5b, did the organization file Form 8886-T? | | | | 5c | | |
| 6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? | | | | 6a | | No |
| b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | | | | 6b | | |
| 7 Organizations that may receive deductible contributions under section 170(c). | | | | | | |
| a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? | | | | 7a | | No |
| b If "Yes," did the organization notify the donor of the value of the goods or services provided? | | | | 7b | | |
| c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | | | 7c | | No |
| d If "Yes," indicate the number of Forms 8282 filed during the year | | | | 7d | | |
| e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | | | 7e | | No |
| f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | | | 7f | | No |
| g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | | | | 7g | | |
| h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | | | | 7h | | |
| 8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? | | | | | | |
| | | | | 8 | | |
| 9a Did the sponsoring organization make any taxable distributions under section 4966? | | | | 9a | | |
| b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? | | | | 9b | | |
| 10 Section 501(c)(7) organizations. Enter | | | | | | |
| a Initiation fees and capital contributions included on Part VIII, line 12 | | | | 10a | | |
| b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | | | | 10b | | |
| 11 Section 501(c)(12) organizations. Enter | | | | | | |
| a Gross income from members or shareholders | | | | 11a | | |
| b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) | | | | 11b | | |
| 12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | | | | | | |
| b If "Yes," enter the amount of tax-exempt interest received or accrued during the year | | | | 12b | | |
| 13 Section 501(c)(29) qualified nonprofit health insurance issuers. | | | | | | |
| a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O | | | | 13a | | |
| b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans | | | | 13b | | |
| c Enter the amount of reserves on hand | | | | 13c | | |
| 14a Did the organization receive any payments for indoor tanning services during the tax year? | | | | 14a | | No |
| b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O | | | | 14b | | |
| 15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N | | | | 15 | | No |
| 16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O | | | | 16 | | No |

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI. ☒

Section A. Governing Body and Management

| | | Yes | No |
|--|--------------|-----|----|
| 1a Enter the number of voting members of the governing body at the end of the tax year | 1a 13 | | |
| If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O | | | |
| b Enter the number of voting members included in line 1a, above, who are independent | 1b 12 | | |
| 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | 2 | | No |
| 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? | 3 | | No |
| 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | 4 | | No |
| 5 Did the organization become aware during the year of a significant diversion of the organization's assets? | 5 | | No |
| 6 Did the organization have members or stockholders? | 6 | | No |
| 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | 7a | | No |
| b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | 7b | Yes | |
| 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following | | | |
| a The governing body? | 8a | Yes | |
| b Each committee with authority to act on behalf of the governing body? | 8b | Yes | |
| 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O | 9 | | No |

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

| | Yes | No |
|---|------------|-----|
| 10a Did the organization have local chapters, branches, or affiliates? | 10a | No |
| b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | 10b | |
| 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | 11a | Yes |
| b Describe in Schedule O the process, if any, used by the organization to review this Form 990 | | |
| 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 | 12a | Yes |
| b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | 12b | Yes |
| c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done | 12c | Yes |
| 13 Did the organization have a written whistleblower policy? | 13 | Yes |
| 14 Did the organization have a written document retention and destruction policy? | 14 | Yes |
| 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | |
| a The organization's CEO, Executive Director, or top management official | 15a | Yes |
| b Other officers or key employees of the organization | 15b | Yes |
| If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions) | | |
| 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | 16a | No |
| b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | 16b | |

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed: MN

18 Section 6104 requires an organization to make its Form 1023 (or 1024-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records.
 ▶ TRACI MORRIS 502 E 2ND ST DULUTH, MN 55805 (218) 786-8376

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII ☐

1

● List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

● List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

● List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

● List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

[illegible]

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and Title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|--|---|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| See Additional Data Table | | | | | | | | | | |
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| | | | | | | | | | | |
| 1b Sub-Total | | | | | | | | | | |
| 1c Total from continuation sheets to Part VII, Section A | | | | | | | | | | |
| 1d Total (add lines 1b and 1c) | | | | | | | | 10,477,176 | 6,528,415 | 2,155,955 |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 126

| | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> | Yes | |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> | Yes | |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> | | No |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|---|--|---------------------|
| OLAF ANDERSON CONSTRUCTION PO BOX 2766 FARGO, ND 58108 | CONSTRUCTION SERVICES | 8,934,792 |
| LANDMARK DEVELOPMENT SERVICES 10 W MIFFLIN ST STE 400 MADISON, WI 53703 | DEVELOPMENT SERVICES | 8,634,171 |
| WEATHERBY LOCUMS INC PO BOX 972633 DALLAS, TX 75397 | PHYSICIAN COVERAGE | 7,386,732 |
| EPIC SYSTEMS CORPORATION 1979 MILKY WAY VERONA, WI 53593 | MEDICAL BILLING SOFTWARE SUPPORT SERVICE | 6,802,782 |
| MAYO COLLABORATIVE SERVICES PO BOX 4100 ROCHESTER, MN 55903 | LAB SERVICES | 6,585,552 |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶ 156

| | | | | | | | |
|--|-----|--|--|--|---|--|------------|
| Part VIII | | Statement of Revenue | | | | | |
| Check if Schedule O contains a response or note to any line in this Part VIII <input type="checkbox"/> | | | | | | | |
| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512 - 514 | |
| Contributions, Gifts, Grants and Other Similar Amounts | 1a | Federated campaigns . . . | 1a | | | | |
| | b | Membership dues . . . | 1b | | | | |
| | c | Fundraising events . . . | 1c | | | | |
| | d | Related organizations | 1d | 8,665 | | | |
| | e | Government grants (contributions) | 1e | 3,623 | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f | 7,640 | | | |
| | g | Noncash contributions included in lines 1a - 1f \$ _____ | | | | | |
| | h | Total. Add lines 1a-1f ▶ | 19,928 | | | | |
| Program Service Revenue | 2a | | SUPPORT REVENUE | Business Code | | | |
| | | | | 541610 | 176,481,882 | 176,481,882 | |
| | b | | | | | | |
| | c | | | | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f | | All other program service revenue | | | | |
| | g | | Total. Add lines 2a-2f ▶ | 176,481,882 | | | |
| Other Revenue | 3 | | Investment income (including dividends, interest, and other similar amounts) ▶ | 8,054,126 | | 2,231,045 | 5,823,081 |
| | 4 | | Income from investment of tax-exempt bond proceeds ▶ | | | | |
| | 5 | | Royalties ▶ | | | | |
| | 6a | | Gross rents | (i) Real | (ii) Personal | | |
| | b | | Less rental expenses | | | | |
| | c | | Rental income or (loss) | | | | |
| | d | | Net rental income or (loss) ▶ | | | | |
| | 7a | | Gross amount from sales of assets other than inventory | (i) Securities | (ii) Other | | |
| | b | | Less cost or other basis and sales expenses | 211,153,572 | | | |
| | c | | Gain or (loss) | 204,061,515 | 139,830 | | |
| | d | | Net gain or (loss) ▶ | 7,092,057 | -139,830 | | |
| | 8a | | Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 a | | | | |
| | b | | Less direct expenses b | | | | |
| | c | | Net income or (loss) from fundraising events . . ▶ | | | | |
| | 9a | | Gross income from gaming activities See Part IV, line 19 a | | | | |
| | b | | Less direct expenses b | | | | |
| | c | | Net income or (loss) from gaming activities . . ▶ | | | | |
| | 10a | | Gross sales of inventory, less returns and allowances a | | | | |
| | b | | Less cost of goods sold b | | | | |
| | c | | Net income or (loss) from sales of inventory . . ▶ | | | | |
| | | | Miscellaneous Revenue | Business Code | | | |
| | 11a | | SYSTEM ACCESS/USE REVENUE | 900099 | 2,420,109 | | 189,971 |
| b | | SETTLEMENTS | 900099 | 209,616 | | | 209,616 |
| c | | ATTORNEY RECORD REQUEST FEES | 900099 | 69,671 | | | 69,671 |
| d | | All other revenue | | 13,074 | | | 13,074 |
| e | | Total. Add lines 11a-11d ▶ | | 2,712,470 | | | |
| 12 | | Total revenue. See Instructions ▶ | | 194,220,633 | 176,481,882 | 2,421,016 | 15,297,807 |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

| | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21. | 3,290 | 3,290 | | |
| 2 Grants and other assistance to domestic individuals. See Part IV, line 22. | | | | |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16. | | | | |
| 4 Benefits paid to or for members. | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees. | 8,618,438 | 1,576,853 | 7,041,585 | |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). | | | | |
| 7 Other salaries and wages. | 104,214,013 | 46,453,804 | 57,760,209 | |
| 8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions). | 4,508,454 | 2,127,270 | 2,381,184 | |
| 9 Other employee benefits. | 18,061,405 | 7,813,436 | 10,247,969 | |
| 10 Payroll taxes. | 7,681,484 | 3,396,889 | 4,284,595 | |
| 11 Fees for services (non-employees): | | | | |
| a Management. | | | | |
| b Legal. | 497,870 | | 497,870 | |
| c Accounting. | 410,754 | | 410,754 | |
| d Lobbying. | 290,083 | | 290,083 | |
| e Professional fundraising services. See Part IV, line 17. | | | | |
| f Investment management fees. | 1,289,583 | | 1,289,583 | |
| g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O). | 16,809,336 | 2,724,047 | 14,085,289 | |
| 12 Advertising and promotion. | 743,087 | 449,707 | 293,380 | |
| 13 Office expenses. | 6,447,775 | 271,858 | 6,175,917 | |
| 14 Information technology. | 2,822,056 | 1,257,943 | 1,564,113 | |
| 15 Royalties. | | | | |
| 16 Occupancy. | 847,478 | 377,767 | 469,711 | |
| 17 Travel. | 1,319,033 | 555,849 | 763,184 | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials. | | | | |
| 19 Conferences, conventions, and meetings. | 570,921 | 199,601 | 371,320 | |
| 20 Interest. | 1,663,884 | 1,662,073 | 1,811 | |
| 21 Payments to affiliates. | | | | |
| 22 Depreciation, depletion, and amortization. | 1,183,346 | 527,481 | 655,865 | |
| 23 Insurance. | | | | |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O): | | | | |
| a UNRELATED BUSINESS TAX | 45,087 | | 45,087 | |
| b ASSET IMPAIRMENT LOSS | 2,445,636 | | 2,445,636 | |
| c DUES | 700,315 | 296,507 | 403,808 | |
| d SALES TAX | 288,117 | 3,424 | 284,693 | |
| e All other expenses | 782,919 | 314,267 | 468,652 | |
| 25 Total functional expenses. Add lines 1 through 24e. | 182,244,364 | 70,012,066 | 112,232,298 | 0 |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). | | | | |

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part IX ☐

| | | (A) Beginning of year | | (B) End of year |
|--|--|--------------------------|-------------|--------------------|
| Assets | 1 Cash—non-interest-bearing | 5,497,904 | 1 | 5,911,127 |
| | 2 Savings and temporary cash investments | 41,808,996 | 2 | 42,948,609 |
| | 3 Pledges and grants receivable, net | | 3 | |
| | 4 Accounts receivable, net | 7,956,976 | 4 | 9,205,454 |
| | 5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | |
| | 6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L | | 6 | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | | 8 | |
| | 9 Prepaid expenses and deferred charges | 6,232,772 | 9 | 6,301,040 |
| | 10a Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D | 10a 12,316,611 | | |
| | b Less: accumulated depreciation | 10b 7,546,497 | | |
| | | 4,713,699 | 10c | 4,770,114 |
| | 11 Investments—publicly traded securities | 78,492 | 11 | 0 |
| | 12 Investments—other securities. See Part IV, line 11 | 192,790,137 | 12 | 209,026,007 |
| | 13 Investments—program-related. See Part IV, line 11 | 55,672,658 | 13 | 53,227,022 |
| | 14 Intangible assets | | 14 | |
| 15 Other assets. See Part IV, line 11 | 81,366,689 | 15 | 87,811,891 | |
| 16 Total assets. Add lines 1 through 15 (must equal line 34) | 396,118,323 | 16 | 419,201,264 | |
| Liabilities | 17 Accounts payable and accrued expenses | 95,649,010 | 17 | 96,250,933 |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | 400,000 | 19 | 1,904,510 |
| | 20 Tax-exempt bond liabilities | 16,414,418 | 20 | 16,424,673 |
| | 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 | |
| | 23 Secured mortgages and notes payable to unrelated third parties | 24,250,469 | 23 | 16,989,170 |
| | 24 Unsecured notes and loans payable to unrelated third parties | | 24 | |
| | 25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24). Complete Part X of Schedule D | 82,436,935 | 25 | 88,877,349 |
| | 26 Total liabilities. Add lines 17 through 25 | 219,150,832 | 26 | 220,446,635 |
| Net Assets or Fund Balances | Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | |
| | 27 Unrestricted net assets | 176,967,491 | 27 | 198,754,629 |
| | 28 Temporarily restricted net assets | | 28 | |
| | 29 Permanently restricted net assets | | 29 | |
| | Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. | | | |
| | 30 Capital stock or trust principal, or current funds | | 30 | |
| | 31 Paid-in or capital surplus, or land, building or equipment fund | | 31 | |
| | 32 Retained earnings, endowment, accumulated income, or other funds | | 32 | |
| 33 Total net assets or fund balances | 176,967,491 | 33 | 198,754,629 | |
| 34 Total liabilities and net assets/fund balances | 396,118,323 | 34 | 419,201,264 | |

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

| | | | |
|-----------|---|-----------|-------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 194,220,633 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 182,244,364 |
| 3 | Revenue less expenses Subtract line 2 from line 1 | 3 | 11,976,269 |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 176,967,491 |
| 5 | Net unrealized gains (losses) on investments | 5 | -1,612,928 |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain in Schedule O) | 9 | 11,423,797 |
| 10 | Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 198,754,629 |

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☒

| | Yes | No |
|--|-----|----|
| 1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O | | |
| 2a Were the organization's financial statements compiled or reviewed by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | No |
| b Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | Yes | |
| c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O | Yes | |
| 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? | Yes | |
| b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits | Yes | |

Additional Data

Software ID:
Software Version:
EIN: 20-0360007
Name: ESSENTIA HEALTH

Form 990 (2018)

Form 990, Part III, Line 4a:

ESSENTIA HEALTH IS ORGANIZED AND SHALL BE OPERATED EXCLUSIVELY FOR CHARITABLE, EDUCATIONAL, SCIENTIFIC, AND RELIGIOUS PURPOSES EXCLUSIVELY FOR THE BENEFIT OF, TO PERFORM THE FUNCTIONS OF, OR TO CARRY OUT THE PURPOSES OF CRITICAL ACCESS GROUP, A MINNESOTA NONPROFIT CORPORATION, BRAINERD LAKES INTEGRATED HEALTH SYSTEM DBA ESSENTIA HEALTH CENTRAL, A MINNESOTA NONPROFIT CORPORATION, ST MARY'S DULUTH CLINIC HEALTH SYSTEM DBA ESSENTIA HEALTH EAST, A MINNESOTA NONPROFIT CORPORATION, AND INNOVIS HEALTH, LLC DBA ESSENTIA HEALTH WEST, A DELAWARE LIMITED LIABILITY COMPANY AND IN SUPPORT OF CRITICAL ACCESS GROUP, ESSENTIA HEALTH CENTRAL, ESSENTIA HEALTH EAST, AND ESSENTIA HEALTH WEST AND EACH OF THE TAX-EXEMPT ENTITIES IDENTIFIED AS SUPPORTED ORGANIZATIONS IN THEIR ARTICLES OF INCORPORATION ALL OF WHICH ARE ORGANIZATIONS DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 ESSENTIA HEALTH IS AN INTEGRATED HEALTH SYSTEM SERVING PATIENTS IN MINNESOTA, WISCONSIN, NORTH DAKOTA AND IDAHO HEADQUARTERED IN DULUTH, MINNESOTA, ESSENTIA HEALTH COMBINES THE STRENGTHS AND TALENTS OF 14,500 EMPLOYEES, INCLUDING MORE THAN 2,000 PHYSICIANS AND ADVANCED PRACTITIONERS, WHO SERVE ITS PATIENTS AND COMMUNITIES THROUGH THE MISSION OF BEING CALLED TO MAKE A HEALTHY DIFFERENCE IN PEOPLE'S LIVES ESSENTIA HEALTH, WHICH INCLUDES MANY CATHOLIC FACILITIES, IS GUIDED BY THE VALUES OF QUALITY, HOSPITALITY, RESPECT, JOY, JUSTICE, STEWARDSHIP AND TEAMWORK THE ORGANIZATION LIVES OUT ITS MISSION BY HAVING PATIENT-CENTERED FOCUS AT 15 HOSPITALS, OVER 70 CLINICS, SIX LONG-TERM CARE FACILITIES, THREE ASSISTED LIVING FACILITIES, THREE INDEPENDENT LIVING FACILITIES, SIX AMBULANCE SERVICES, AND ONE RESEARCH INSTITUTE ESSENTIA HEALTH PROVIDES SERVICES PREDOMINANTLY IN RURAL COMMUNITIES AND IS COMMITTED TO ELIMINATING GEOGRAPHIC BARRIERS TO CARE MANY OF ESSENTIA HEALTH'S HOSPITALS AND CLINICS ARE LOCATED IN COMMUNITIES THAT ARE FEDERALLY RECOGNIZED AS BEING MEDICALLY UNDERSERVED ESSENTIA HEALTH IS ACCREDITED AS AN ACCOUNTABLE CARE ORGANIZATION BY THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE THE LEGAL ENTITIES COMPRISING ESSENTIA HEALTH FILE SEPARATE FORM 990'S AT FISCAL YEAR ENDED JUNE 30, 2019, ESSENTIA HEALTH'S CONSOLIDATED TOTAL REVENUE WAS \$2,168,187,000 AND CONSOLIDATED INCOME FROM OPERATIONS WAS \$53,470,000 ESSENTIA HEALTH'S HOSPITALS HAVE A TOTAL OF 1,198 LICENSED BEDS WHICH PROVIDED OVER 189,000 HOSPITAL PATIENT DAYS AND OVER 679,000 OUTPATIENT VISITS DURING THE FISCAL YEAR ENDED JUNE 30, 2019 THE CLINICS HAD OVER 17 MILLION ENCOUNTERS DURING THE SAME TIME PERIOD DURING THE FISCAL YEAR ENDED JUNE 30, 2019, ESSENTIA HEALTH PROVIDED TOTAL COMMUNITY BENEFITS OF OVER \$128 MILLION WHICH INCLUDED COSTS OF PROVIDING CHARITY CARE, COSTS IN EXCESS OF MEDICAID PAYMENTS, MEDICAID SURCHARGE, MINNESOTACARE TAX, COMMUNITY SERVICES, HEALTH PROFESSION EDUCATION, RESEARCH, AND CASH AND IN-KIND CONTRIBUTIONS

| Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors | | | | | | | | | | |
|---|--|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
| (A) Name and Title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W- 2/1099-MISC) | (E) Reportable compensation from related organizations (W- 2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
| | | Individual trustee or director | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| DAVID GADDIE BOARD CHAIR | 3 00 0 00 | X | | X | | | | 45,000 | 0 | 0 |
| LINDA DUNHAM BOARD VICE CHAIR | 3 00 0 00 | X | | X | | | | 20,000 | 0 | 0 |
| DEAN AGER BOARD DIRECTOR | 3 00 1 00 | X | | | | | | 30,000 | 0 | 0 |
| JAMES ANDERSON BOARD DIRECTOR | 3 00 4 00 | X | | | | | | 39,000 | 0 | 0 |
| CHARLES ALBRECHT BOARD DIRECTOR | 3 00 2 00 | X | | | | | | 12,450 | 0 | 0 |
| ALAN HODNIK BOARD DIRECTOR | 3 00 0 00 | X | | | | | | 20,000 | 0 | 0 |
| SISTER KATHLEEN HOFER BOARD DIRECTOR | 3 00 0 00 | X | | | | | | 0 | 0 | 0 |
| WALTER LEINO MD BOARD DIRECTOR | 3 00 1 00 | X | | | | | | 20,000 | 0 | 0 |
| KEVIN MOUG BOARD DIRECTOR | 3 00 1 00 | X | | | | | | 34,500 | 0 | 0 |
| SISTER BEVERLY RAWAY BOARD DIRECTOR | 3 00 4 00 | X | | | | | | 0 | 0 | 0 |

| Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors | | | | | | | | | | |
|---|--|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
| (A) Name and Title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W- 2/1099-MISC) | (E) Reportable compensation from related organizations (W- 2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
| | | Individual trustee or director | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| THOMAS RUSS MD BOARD DIRECTOR | 3 00 37 00 | X | | | | | | 30,000 | 254,805 | 24,506 |
| KIMBERLEY STOKES BOARD DIRECTOR | 3 00 0 00 | X | | | | | | 20,000 | 0 | 0 |
| SISTER CLARE MARIE TRETTEL BOARD DIRECTOR | 3 00 1 00 | X | | | | | | 0 | 0 | 0 |
| LAURA BOEHLKE-BRAY MD BOARD DIRECTOR THRU 12/19 | 3 00 37 00 | X | | | | | | 10,000 | 208,792 | 16,283 |
| JOEL HAUGEN MD BOARD DIRECTOR THRU 12/19 | 3 00 37 00 | X | | | | | | 18,375 | 301,796 | 45,229 |
| DAVID HERMAN MD CHIEF EXECUTIVE OFFICER | 58 00 2 00 | | | X | | | | 1,419,889 | 0 | 249,916 |
| TRACI MORRIS CHIEF FINANCIAL OFFICER | 60 00 0 00 | | | X | | | | 508,504 | 0 | 53,263 |
| BRADLEY BEARD CHIEF OPERATING OFFICER - EAST | 3 00 57 00 | | | | X | | | 0 | 251,270 | 54,590 |
| DENNIS DASSENKO CHIEF INFORMATION OFFICER | 60 00 0 00 | | | | X | | | 603,955 | 0 | 93,908 |
| DIANE DAVIDSON CHIEF HUMAN RESOURCE OFFICER | 60 00 0 00 | | | | X | | | 468,853 | 0 | 94,035 |

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

| (A) Name and Title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W- 2/1099- MISC) | (E) Reportable compensation from related organizations (W- 2/1099- MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|---|--|-----------------------|---------|--------------|---------------------------------|--------|---|--|---|
| | | Individual trustee or director | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| PATRICIA DELONG CHIEF NURSING OFFICER - CENTRAL | 3 00 57 00 | | | | X | | | 0 | 247,539 | 25,470 |
| GREGORY GLASNER MD PRESIDENT - WEST | 3 00 57 00 | | | | X | | | 0 | 645,561 | 106,543 |
| SHEILA HART SENIOR VP-INTEGRATED CARE | 60 00 0 00 | | | | X | | | 379,210 | 0 | 82,231 |
| PETER HENRY MD CHIEF MEDICAL OFFICER | 3 00 57 00 | | | | X | | | 731,302 | 0 | 100,399 |
| MICHAEL MAHONEY VICE PRESIDENT, PUBLIC POLICY | 60 00 0 00 | | | | X | | | 303,482 | 0 | 50,645 |
| JODI MANSFIELD EXECUTIVE VICE PRESIDENT, COO | 60 00 0 00 | | | | X | | | 443,206 | 0 | 1,264 |
| ADAM REES PRESIDENT - CENTRAL | 3 00 57 00 | | | | X | | | 0 | 449,391 | 87,773 |
| TIMOTHY SAYLER CHIEF OPERATING OFFICER - WEST | 3 00 57 00 | | | | X | | | 0 | 541,904 | 97,634 |
| ANNE STEPHEN MD CHIEF MEDICAL OFFICER - EAST | 3 00 57 00 | | | | X | | | 0 | 468,772 | 101,700 |
| DEBORAH WELLE-POWELL CHIEF POPULATION HEALTH OFFICER | 60 00 0 00 | | | | X | | | 509,357 | 0 | 84,597 |

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization
ESSENTIA HEALTH

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Employer identification number
20-0360007

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 12, check only one box)

- 1

☐

A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ))
- 3

☐

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university _____
- 10

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 11

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 12

☒

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g
- a

☐

Type I. A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
- b

☐

Type II. A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
- c

☒

Type III functionally integrated. A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
- d

☐

Type III non-functionally integrated. A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
- e

☐

Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
- f

Enter the number of supported organizations

4

| g Provide the following information about the supported organization(s) | | | | | |
|---|-----------|--|---|----|---|
| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1- 10 above (see instructions)) | (iv) Is the organization listed in your governing document? | | (v) Amount of monetary support (see instructions) |
| | | | Yes | No | |
| (A) INNOVIS HEALTH LLC | 261175213 | 3 | Yes | | 48,155,951 |
| | | | | | |
| Total | 4 | | | | 48,155,951 |

Part II

Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv), 170(b)(1)(A)(vi), and 170(b)(1)(A)(ix)
(Complete only if you checked the box on line 5, 7, 8, or 9 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

| Section A. Public Support | | | | | | | |
|---------------------------|---|----------|----------|----------|----------|----------|-----------|
| | Calendar year (or fiscal year beginning in) ► | (a) 2014 | (b) 2015 | (c) 2016 | (d) 2017 | (e) 2018 | (f) Total |
| 1 | Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant ") | | | | | | |
| 2 | Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 | The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 | Total. Add lines 1 through 3 | | | | | | |
| 5 | The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | |
| 6 | Public support. Subtract line 5 from line 4 | | | | | | |

| Section B. Total Support | | | | | | | |
|--|--|---------|---------|---------|---------|-----------|----------|
| Calendar year (or fiscal year beginning in) ► | | (a)2014 | (b)2015 | (c)2016 | (d)2017 | (e)2018 | (f)Total |
| 7 | Amounts from line 4 | | | | | | |
| 8 | Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| 9 | Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 | Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI) | | | | | | |
| 11 | Total support. Add lines 7 through 10 | | | | | | |
| 12 | Gross receipts from related activities, etc (see instructions) | | | | | 12 | |
| 13 | First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/> | | | | | | |

| Section C. Computation of Public Support Percentage | | |
|---|---|----|
| 14 | Public support percentage for 2018 (line 6, column (f) divided by line 11, column (f)) | 14 |
| 15 | Public support percentage for 2017 Schedule A, Part II, line 14 | 15 |
| 16a | 33 1/3% support test—2018. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/> | |
| b | 33 1/3% support test—2017. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/> | |
| 17a | 10%-facts-and-circumstances test—2018. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/> | |
| b | 10%-facts-and-circumstances test—2017. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/> | |
| 18 | Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/> | |

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ► | (a) 2014 | (b) 2015 | (c) 2016 | (d) 2017 | (e) 2018 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.") | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 Total. Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b | | | | | | |
| 8 Public support. (Subtract line 7c from line 6.) | | | | | | |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ► | (a) 2014 | (b) 2015 | (c) 2016 | (d) 2017 | (e) 2018 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) | | | | | | |
| 13 Total support. (Add lines 9, 10c, 11, and 12.) | | | | | | |

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ► ☐

Section C. Computation of Public Support Percentage

| | | |
|--|-----------|--|
| 15 Public support percentage for 2018 (line 8, column (f) divided by line 13, column (f)) | 15 | |
| 16 Public support percentage from 2017 Schedule A, Part III, line 15 | 16 | |

Section D. Computation of Investment Income Percentage

| | | |
|--|-----------|--|
| 17 Investment income percentage for 2018 (line 10c, column (f) divided by line 13, column (f)) | 17 | |
| 18 Investment income percentage from 2017 Schedule A, Part III, line 17 | 18 | |

19a 33 1/3% support tests—2018. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☐

b 33 1/3% support tests—2017. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► ☐

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

| | Yes | No |
|---|-----|----|
| 1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i> | | |
| 2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i> | | |
| 3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i> | | No |
| b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i> | | |
| c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i> | | |
| 4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i> | | No |
| b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i> | | |
| c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i> | | |
| 5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).</i> | | No |
| b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document? | | |
| c Substitutions only. Was the substitution the result of an event beyond the organization's control? | | |
| 6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i> | Yes | |
| 7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i> | | No |
| 8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i> | | No |
| 9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i> | | No |
| b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i> | | No |
| c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i> | | No |
| 10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i> | | No |
| b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i> | | |

Part IV Supporting Organizations (continued)

| | Yes | No |
|--|------------|-----------|
| 11 Has the organization accepted a gift or contribution from any of the following persons? | | |
| a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization? | | |
| b A family member of a person described in (a) above? | | |
| c A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI</i> | | |
| | 11a | No |
| | 11b | No |
| | 11c | No |

Section B. Type I Supporting Organizations

| | Yes | No |
|---|----------|----|
| 1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i> | | |
| | 1 | |
| 2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.</i> | | |
| | 2 | |

Section C. Type II Supporting Organizations

| | Yes | No |
|--|----------|----|
| 1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i> | | |
| | 1 | |

Section D. All Type III Supporting Organizations

| | Yes | No |
|---|----------|------------|
| 1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? | | |
| | 1 | Yes |
| 2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization (s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i> | | |
| | 2 | Yes |
| 3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i> | | |
| | 3 | Yes |

Section E. Type III Functionally-Integrated Supporting Organizations

| | | |
|---|-----------|------------|
| 1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions) | | |
| a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below. | | |
| b <input checked="" type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below. | | |
| c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions). | | |
| 2 Activities Test. Answer (a) and (b) below. | | |
| a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i> | | |
| | 2a | |
| b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i> | | |
| | 2b | |
| 3 Parent of Supported Organizations. Answer (a) and (b) below. | | |
| a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i> | | |
| | 3a | Yes |
| b Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i> | | |
| | 3b | Yes |

| | | | |
|---|--|----------------|-----------------------------|
| Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations | | | |
| <div>1</div> <div><input type="checkbox"/></div> <div>Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.</div> | | | |
| Section A - Adjusted Net Income | | (A) Prior Year | (B) Current Year (optional) |
| 1 | Net short-term capital gain | 1 | |
| 2 | Recoveries of prior-year distributions | 2 | |
| 3 | Other gross income (see instructions) | 3 | |
| 4 | Add lines 1 through 3 | 4 | |
| 5 | Depreciation and depletion | 5 | |
| 6 | Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions) | 6 | |
| 7 | Other expenses (see instructions) | 7 | |
| 8 | Adjusted Net Income (subtract lines 5, 6 and 7 from line 4) | 8 | |
| Section B - Minimum Asset Amount | | (A) Prior Year | (B) Current Year (optional) |
| 1 | Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year) | 1 | |
| a | Average monthly value of securities | 1a | |
| b | Average monthly cash balances | 1b | |
| c | Fair market value of other non-exempt-use assets | 1c | |
| d | Total (add lines 1a, 1b, and 1c) | 1d | |
| e | Discount claimed for blockage or other factors (explain in detail in Part VI) | | |
| 2 | Acquisition indebtedness applicable to non-exempt use assets | 2 | |
| 3 | Subtract line 2 from line 1d | 3 | |
| 4 | Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions) | 4 | |
| 5 | Net value of non-exempt-use assets (subtract line 4 from line 3) | 5 | |
| 6 | Multiply line 5 by .035 | 6 | |
| 7 | Recoveries of prior-year distributions | 7 | |
| 8 | Minimum Asset Amount (add line 7 to line 6) | 8 | |
| Section C - Distributable Amount | | | Current Year |
| 1 | Adjusted net income for prior year (from Section A, line 8, Column A) | 1 | |
| 2 | Enter 85% of line 1 | 2 | |
| 3 | Minimum asset amount for prior year (from Section B, line 8, Column A) | 3 | |
| 4 | Enter greater of line 2 or line 3 | 4 | |
| 5 | Income tax imposed in prior year | 5 | |
| 6 | Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions) | 6 | |
| 7 | <div><input type="checkbox"/></div> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions) | | |

Part V

Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

| Section D - Distributions | Current Year |
|--|--------------|
| 1 Amounts paid to supported organizations to accomplish exempt purposes | |
| 2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity | |
| 3 Administrative expenses paid to accomplish exempt purposes of supported organizations | |
| 4 Amounts paid to acquire exempt-use assets | |
| 5 Qualified set-aside amounts (prior IRS approval required) | |
| 6 Other distributions (describe in Part VI) See instructions | |
| 7 Total annual distributions. Add lines 1 through 6 | |
| 8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions | |
| 9 Distributable amount for 2018 from Section C, line 6 | |
| 10 Line 8 amount divided by Line 9 amount | |

| Section E - Distribution Allocations (see instructions) | (i) Excess Distributions | (ii) Underdistributions Pre-2018 | (iii) Distributable Amount for 2018 |
|---|-----------------------------|--|---|
| 1 Distributable amount for 2018 from Section C, line 6 | | | |
| 2 Underdistributions, if any, for years prior to 2018 (reasonable cause required-- explain in Part VI) See instructions | | | |
| 3 Excess distributions carryover, if any, to 2018 | | | |
| a From 2013. | | | |
| b From 2014. | | | |
| c From 2015. | | | |
| d From 2016. | | | |
| e From 2017. | | | |
| f Total of lines 3a through e | | | |
| g Applied to underdistributions of prior years | | | |
| h Applied to 2018 distributable amount | | | |
| i Carryover from 2013 not applied (see instructions) | | | |
| j Remainder Subtract lines 3g, 3h, and 3i from 3f | | | |
| 4 Distributions for 2018 from Section D, line 7 \$ | | | |
| a Applied to underdistributions of prior years | | | |
| b Applied to 2018 distributable amount | | | |
| c Remainder Subtract lines 4a and 4b from 4 | | | |
| 5 Remaining underdistributions for years prior to 2018, if any Subtract lines 3g and 4a from line 2 If the amount is greater than zero, explain in Part VI See instructions | | | |
| 6 Remaining underdistributions for 2018 Subtract lines 3h and 4b from line 1 If the amount is greater than zero, explain in Part VI See instructions | | | |
| 7 Excess distributions carryover to 2019. Add lines 3j and 4c | | | |
| 8 Breakdown of line 7 | | | |
| a Excess from 2014. | | | |
| b Excess from 2015. | | | |
| c Excess from 2016. | | | |
| d Excess from 2017. | | | |
| e Excess from 2018. | | | |

Part VI Supplemental Information. Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, Part III, line 12, Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c, Part IV, Section B, lines 1 and 2, Part IV, Section C, line 1, Part IV, Section D, lines 2 and 3, Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b, Part V, line 1, Part V, Section B, line 1e, Part V Section D, lines 5, 6, and 8, and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions)

| |
|-------------------------------------|
| Facts And Circumstances Test |
|-------------------------------------|

990 Schedule A, Supplemental Information

| Return Reference | Explanation |
|------------------------------|---|
| SCHEDULE A, PART I, LINE 12G | <p>SUPPORTED ORGANIZATIONS ESSENTIA HEALTH ALSO SUPPORTS THREE 509(A)(3) ENTITIES WHO ARE LISTED IN ESSENTIA HEALTH'S GOVERNING DOCUMENTS BRAINERD LAKES INTEGRATED HEALTH SYSTEM (EIN 37-1532145), CRITICAL ACCESS GROUP (EIN 26-1219624), AND ST MARY'S DULUTH CLINIC HEALTH SYSTEM (EIN 41-1836633) ESSENTIA HEALTH PROVIDED MONETARY SUPPORT IN THE AMOUNTS OF \$ 20,080,891 TO BRAINERD LAKES INTEGRATED HEALTH SYSTEM, \$3,593,282 TO CRITICAL ACCESS GROUP, AND \$110,414,240 TO ST MARY'S DULUTH CLINIC HEALTH SYSTEM FOR AN OVERALL TOTAL OF \$182,244,364 IN MONETARY SUPPORT ESSENTIA HEALTH ALSO SUPPORTS THE TAX-EXEMPT SUBSIDIARIES OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS, SUBSTANTIALLY ALL OF WHICH ARE PUBLICLY SUPPORTED ENTITIES UNDER IRC SECTION 509(A)</p> |

| 990 Schedule A, Supplemental Information | |
|--|--|
| Return Reference | Explanation |
| SCHEDULE A, PART I, LINE 12G, COLUMN V | AMOUNT OF SUPPORT THE AMOUNT OF SUPPORT INCLUDES ESSENTIA HEALTH'S FUNCTIONAL EXPENSES WHICH ARE INCURRED FOR THE BENEFIT OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS |

990 Schedule A, Supplemental Information

| Return Reference | Explanation |
|--|--|
| SCHEDULE A, PART IV, SECTION A, LINE 2 | DETERMINATION OF STATUS OF SUPPORTED ORGANIZATIONS THREE OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS (BRAINERD LAKES INTEGRATED HEALTH SYSTEM, CRITICAL ACCESS GROUP, AND ST MARY'S DULUTH CLINIC HEALTH SYSTEM) ARE TYPE II SUPPORTING ORGANIZATIONS UNDER IRC SECTION 509(A)(3) BRAINERD LAKES INTEGRATED HEALTH SYSTEM, CRITICAL ACCESS GROUP, AND ST MARY'S DULUTH CLINIC HEALTH SYSTEM SUPPORT TAX-EXEMPT ORGANIZATIONS ORGANIZED UNDER IRC SECTION 509(A)(1) OR 509(A)(2) |

990 Schedule A, Supplemental Information

| Return Reference | Explanation |
|--|--|
| SCHEDULE A, PART IV, SECTION A, LINE 6 | SUPPORT TO OTHER ORGANIZATIONS ESSENTIA HEALTH MADE CONTRIBUTIONS TO UNRELATED ORGANIZATIONS THAT ALIGN WITH ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS' MISSIONS THESE CONTRIBUTIONS CREATED A HEALTHY DIFFERENCE IN PEOPLES' LIVES BY PROVIDING RESOURCES TO FAMILIES IN NEED ESSENTIA HEALTH ALSO SUPPORTS THE TAX-EXEMPT SUBSIDIARIES OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS BY PROVIDING VARIOUS SERVICES AND MONETARY SUPPORT |

990 Schedule A, Supplemental Information

| Return Reference | Explanation |
|--|--|
| SCHEDULE A, PART IV, SECTION D, LINE 3 | <p>SUPPORTED ORGANIZATIONS' VOICE AND DIRECTION THERE ARE MULTIPLE DIRECTORS THAT SERVE ON ESSENTIA HEALTH'S BOARD OF DIRECTORS, AS WELL AS, ON ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS' BOARD OF DIRECTORS IN ADDITION, THE OFFICERS AND OTHER KEY EMPLOYEES OF ESSENTIA HEALTH AND ITS SUPPORTED ORGANIZATIONS MAINTAIN CLOSE AND CONTINUOUS WORKING RELATIONSHIPS BY</p> <p>SITTING ON THE SAME LEADERSHIP COMMITTEES AND TEAMS FIRST AT THE SUPPORTED ORGANIZATION LEVEL AND THEN AT THE SUPPORTING ORGANIZATION LEVEL, ESSENTIA HEALTH'S INVESTMENTS AND USE OF INCOME AND ASSETS ARE DISCUSSED AND APPROVED RESULTING IN ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS HAVING A SIGNIFICANT VOICE IN DIRECTING THE ACTIVITIES OF ESSENTIA HEALTH</p> |

990 Schedule A, Supplemental Information

| Return Reference | Explanation |
|---|--|
| SCHEDULE A, PART IV, SECTION E, LINE 3A | POWER TO APPOINT OR ELECT DIRECTORS ESSENTIA HEALTH APPROVES THE ELECTION OF ITS SUPPORTED ORGANIZATIONS' BOARD OF DIRECTORS AND MAY REMOVE, WITH OR WITHOUT CAUSE, THESE SAME DIRECTORS AT ANY TIME |

990 Schedule A, Supplemental Information

| Return Reference | Explanation |
|---|---|
| SCHEDULE A, PART IV, SECTION E, LINE 3B | DIRECTION OVER THE POLICIES, PROGRAMS, AND ACTIVITIES OF THE SUPPORTED ORGANIZATIONS AS THE PARENT OF ITS SUPPORTED ORGANIZATIONS, ESSENTIA HEALTH HAS VARIOUS FINANCIAL, OPERATIONAL, AND ADVISORY POWERS, KNOWN AS RESERVED POWERS, WITH RESPECT TO ITS SUPPORTED ORGANIZATIONS AND THEIR SUBSIDIARIES CREATING A SUBSTANTIAL DEGREE OF DIRECTION OVER THE POLICIES, PROGRAMS, AND ACTIVITIES OF ESSENTIA HEALTH'S SUPPORTED ORGANIZATIONS ESSENTIA HEALTH ESTABLISHES AND OVERSEES VARIOUS POLICIES AND PROGRAMS INCLUDING POLICIES RELATED TO BUT NOT LIMITED TO ADMINISTRATION, HUMAN RESOURCES, FINANCE, COMPLIANCE, INFORMATION SERVICES, PATIENT RELATIONS/RISK MANAGEMENT, SAFETY, EMERGENCY PREPAREDNESS & SERVICES, REVENUE SERVICES, ESSENTIA HEALTH MEDICAL GROUP, PHYSICIAN/PROVIDER SERVICES, RESEARCH AND EDUCATION, AND THE ESSENTIA HEALTH FOUNDATION ESSENTIA HEALTH HAS THE FOLLOWING AUTHORITY OVER ITS SUPPORTED ORGANIZATIONS AND THEIR SUBSIDIARIES CREATE AND APPROVE STRATEGIC BUSINESS PLANS, CREATE AND APPROVE THE MISSION, PURPOSE AND VISION STATEMENTS, CREATE AND APPROVE AMENDMENTS OF THE ARTICLES OF INCORPORATION AND BYLAWS AND/OR CERTIFICATES OF FORMATION AND OPERATING AGREEMENTS, AND CAUSE AND APPROVE THE DISCONTINUANCE OF SERVICES AND SERVICE LOCATIONS |

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No 1545-0047

2018

Open to Public Inspection

If the organization answered "Yes" on Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes" on Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes" on Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

| | |
|---|---|
| Name of the organization ESSENTIA HEALTH | Employer identification number 20-0360007 |
|---|---|

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

| | | |
|----------|---|------|
| 1 | Provide a description of the organization's direct and indirect political campaign activities in Part IV (see instructions for definition of "political campaign activities") | |
| 2 | Political campaign activity expenditures (see instructions) | ▶ \$ |
| 3 | Volunteer hours for political campaign activities (see instructions) | |

Part I-B Complete if the organization is exempt under section 501(c)(3).

| | | |
|-----------|---|--|
| 1 | Enter the amount of any excise tax incurred by the organization under section 4955 | ▶ \$ |
| 2 | Enter the amount of any excise tax incurred by organization managers under section 4955 | ▶ \$ |
| 3 | If the organization incurred a section 4955 tax, did it file Form 4720 for this year? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4a | Was a correction made? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| b | If "Yes," describe in Part IV | |

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

| | | |
|----------|---|--|
| 1 | Enter the amount directly expended by the filing organization for section 527 exempt function activities | ▶ \$ |
| 2 | Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities | ▶ \$ |
| 3 | Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b | ▶ \$ |
| 4 | Did the filing organization file Form 1120-POL for this year? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5 | Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV | |

| (a) Name | (b) Address | (c) EIN | (d) Amount paid from filing organization's funds If none, enter -0- | (e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0- |
|----------|-------------|---------|---|--|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures
(The term "expenditures" means amounts paid or incurred.)**(a)** Filing
organization's
totals**(b)** Affiliated
group totals

1a Total lobbying expenditures to influence public opinion (grass roots lobbying)

b Total lobbying expenditures to influence a legislative body (direct lobbying)

c Total lobbying expenditures (add lines 1a and 1b)

d Other exempt purpose expenditures

e Total exempt purpose expenditures (add lines 1c and 1d)

f Lobbying nontaxable amount Enter the amount from the following table in both columns

| If the amount on line 1e, column (a) or (b) is: | The lobbying nontaxable amount is: |
|---|---|
| Not over \$500,000 | 20% of the amount on line 1e |
| Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000 |
| Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000 |
| Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000 |
| Over \$17,000,000 | \$1,000,000 |

g Grassroots nontaxable amount (enter 25% of line 1f)

h Subtract line 1g from line 1a If zero or less, enter -0-

i Subtract line 1f from line 1c If zero or less, enter -0-

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?

☐ Yes ☐ No**4-Year Averaging Period Under section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

| Calendar year (or fiscal year beginning in) | (a) 2015 | (b) 2016 | (c) 2017 | (d) 2018 | (e) Total |
|---|----------|----------|----------|----------|-----------|
| 2a Lobbying nontaxable amount | | | | | |
| b Lobbying ceiling amount (150% of line 2a, column(e)) | | | | | |
| c Total lobbying expenditures | | | | | |
| d Grassroots nontaxable amount | | | | | |
| e Grassroots ceiling amount (150% of line 2d, column (e)) | | | | | |
| f Grassroots lobbying expenditures | | | | | |

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity

| | | (a) | | (b) |
|-----------|--|-----|----|---------|
| | | Yes | No | Amount |
| 1 | During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of | | | |
| a | Volunteers? | | No | |
| b | Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? | Yes | | |
| c | Media advertisements? | | No | |
| d | Mailings to members, legislators, or the public? | Yes | | |
| e | Publications, or published or broadcast statements? | | No | |
| f | Grants to other organizations for lobbying purposes? | | No | |
| g | Direct contact with legislators, their staffs, government officials, or a legislative body? | Yes | | 138,588 |
| h | Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? | | No | |
| i | Other activities? | Yes | | 290,083 |
| j | Total. Add lines 1c through 1i | | | 428,671 |
| 2a | Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? | | No | |
| b | If "Yes," enter the amount of any tax incurred under section 4912 | | | |
| c | If "Yes," enter the amount of any tax incurred by organization managers under section 4912 | | | |
| d | If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? | | | |

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

| | Yes | No |
|--|----------|----|
| 1 Were substantially all (90% or more) dues received nondeductible by members? | 1 | |
| 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less? | 2 | |
| 3 Did the organization agree to carry over lobbying and political expenditures from the prior year? | 3 | |

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

| | | |
|---|-----------|--|
| 1 Dues, assessments and similar amounts from members | 1 | |
| 2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid). | 2a | |
| a Current year | 2b | |
| b Carryover from last year | 2c | |
| c Total | 3 | |
| 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues | 4 | |
| 4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year? | 5 | |
| 5 Taxable amount of lobbying and political expenditures (see instructions) | | |

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, lines 1 and 2 (see instructions), and Part II-B, line 1. Also, complete this part for any additional information.

| Return Reference | Explanation |
|-------------------|---|
| PART II-B, LINE 1 | ESSENTIA HEALTH EMPLOYS ONE FULL-TIME IN-HOUSE PUBLIC POLICY INDIVIDUAL AND DURING 2019 CONTRACTED WITH TWO CONSULTANT FIRMS TO MONITOR STATE LEGISLATIVE ACTIVITIES OF INTEREST, THREE CONSULTANT FIRMS TO MONITOR FEDERAL LEGISLATIVE ACTIVITIES OF INTEREST RELATED TO HEALTH AND HUMAN SERVICES ISSUES, AND ONE LEGAL FIRM TO PROVIDE LEGISLATIVE REPRESENTATION SERVICES. ESSENTIA HEALTH'S PUBLIC POLICY ACTIVITIES OCCUR ON A MULTI-STATE AND NATIONAL LEVEL. ESSENTIA HEALTH PUBLIC POLICY ACTIVITIES INCLUDED IN PERSON, TELEPHONIC, ELECTRONIC COMMUNICATION AND INFORMATION RELAY WITH LEGISLATORS AND STAFF, ADMINISTRATIVE OFFICIALS, GOVERNMENT AGENCIES AND DEPARTMENTS ON BOTH THE STATE AND FEDERAL LEVELS. THE PRIMARY ISSUES OF INTEREST AND CONCERN INCLUDE: CRITICAL ACCESS HOSPITAL DESIGNATION, STATUS AND REIMBURSEMENT PHYSICIAN AND HOSPITAL SERVICES REIMBURSEMENT MEDICARE AND MEDICAID REIMBURSEMENT POLICIES DISPROPORTIONATE SHARE HOSPITAL FUNDING, SOLE COMMUNITY HOSPITAL STATUS AND FUNDING, GRADUATE MEDICAL EDUCATION/INDIRECT MEDICAL EDUCATION FUNDING, HEALTH INFORMATION TECHNOLOGY FUNDING AND PRIVACY ISSUES, CYBERSECURITY, STATE AND FEDERAL HEALTH CARE REFORM, STATE AND FEDERAL SHARED SAVINGS DEMONSTRATION PROJECTS, MEDICARE REIMBURSEMENT FOR REHAB FACILITIES, MEDICARE 340B PRESCRIPTION DRUG DISCOUNT PROGRAM, MULTI-STATE NURSE LICENSURE COMPACT, MULTI-STATE ADVANCED PRACTICE REGISTERED NURSE LICENSURE COMPACT, MULTI-STATE PHYSICIAN LICENSURE COMPACT, MULTI-STATE PHYSICAL THERAPY COMPACT, MANDATED NURSE STAFFING QUOTAS, ELECTRONIC MEDICAL RECORD INTEROPERABILITY/HEALTH INFORMATION TECHNOLOGY, MEDICARE RECOVERY AUDIT CONTRACTOR AUDITS (RAC), HEALTH INFORMATION EXCHANGE, MEDICAL EDUCATION AND RESEARCH COSTS (MERC), STATE CHILDREN'S HEALTH INSURANCE PROGRAM, WORKFORCE DEVELOPMENT ISSUES, PUBLIC HEALTH INITIATIVES, COMMUNITY BENEFITS, WORKERS COMPENSATION SYSTEM, TAX-EXEMPT STATUS, ENVIRONMENTAL PROTECTION & SOLID WASTE, ADVANCED CARE PLANNING, TELEMEDICINE, MENTAL HEALTH/BEHAVIORAL HEALTH ISSUES. ESSENTIA HEALTH ALSO PAYS DUES TO CERTAIN ORGANIZATIONS RELATED TO THE INDUSTRY WHICH HAVE LOBBYING EXPENSES. THE AMOUNT INCLUDED IN THE TOTAL IS THE PERCENTAGE OF THE DUES PAID THAT WERE USED FOR LOBBYING. |

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Name of the organization
ESSENTIA HEALTH

Employer identification number
20-0360007

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|-------------------------|------------------------------|
| 1 Total number at end of year | | |
| 2 Aggregate value of contributions to (during year) | | |
| 3 Aggregate value of grants from (during year) | | |
| 4 Aggregate value at end of year | | |

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?

☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

| | Held at the End of the Year |
|--|-----------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register | 2d |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.
Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included on Form 990, Part VIII, line 1

► \$

(ii) Assets included in Form 990, Part X

► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1

► \$

b Assets included in Form 990, Part X

► \$

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐

Public exhibition

b

☐

Scholarly research

c

☐

Preservation for future generations

d

☐

Loan or exchange programs

e

☐

Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

| | Amount |
|----|--------|
| 1c | |
| 1d | |
| 1e | |
| 1f | |

2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? . . .

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

☐

Part V

Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

| | (a)Current year | (b)Prior year | (c)Two years back | (d)Three years back | (e)Four years back |
|----|--|---------------|-------------------|---------------------|--------------------|
| 1a | Beginning of year balance | | | | |
| b | Contributions | | | | |
| c | Net investment earnings, gains, and losses | | | | |
| d | Grants or scholarships | | | | |
| e | Other expenditures for facilities and programs | | | | |
| f | Administrative expenses | | | | |
| g | End of year balance | | | | |

2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Temporarily restricted endowment ▶

The percentages on lines 2a, 2b, and 2c should equal 100%

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i)

unrelated organizations

(ii)

related organizations

b

If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?

| | Yes | No |
|--------|-----|----|
| 3a(i) | | |
| 3a(ii) | | |
| 3b | | |

4

Describe in Part XIII the intended uses of the organization's endowment funds

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|-------------------------|--|---------------------------------|------------------------------|----------------|
| 1a | Land | | | |
| b | Buildings | 1,203,956 | 153,798 | 1,050,158 |
| c | Leasehold improvements | | | |
| d | Equipment | 11,077,655 | 7,392,699 | 3,684,956 |
| e | Other | 35,000 | | 35,000 |
| Total. | Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶ | | | 4,770,114 |

Part VII

Investments—Other Securities. Complete if the organization answered "Yes" on Form 990, Part IV, line 11b.
See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation Cost or end-of-year market value |
|---|----------------|---|
| (1) Financial derivatives | 571,238 | F |
| (2) Closely-held equity interests | | |
| (3) Other _____ | | |
| (A) POOLED INVESTMENT FUNDS | 208,454,769 | F |
| (B) | | |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 12) | 209,026,007 | |

Part VIII

Investments—Program Related.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

| (a) Description of investment | (b) Book value | (c) Method of valuation Cost or end-of-year market value |
|---|----------------|---|
| (1)INVESTMENT IN BENEDICTINE HEALTH SYSTEM | 53,227,022 | C |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 13) | 53,227,022 | |

Part IX

Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

| (a) Description | (b) Book value |
|---|----------------|
| (1) DEFERRED DEBT FINANCING COSTS - LINE OF CREDIT | 29,504 |
| (2) DEFERRED COMPENSATION FUND | 83,060,751 |
| (3) REINSURANCE RECEIVABLE | 3,985,450 |
| (4) DEFERRED TAX ASSET | 736,186 |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 15) | 87,811,891 |

Part X

Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f.
See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Book value |
|---|----------------|
| (1) Federal income taxes | |
| NON CURRENT SWAP LIABILITY | 311,395 |
| BENEFIT PLAN LIABILITY | 83,060,751 |
| PAYABLES TO RELATED ORGS | 5,401,561 |
| UNCLAIMED PROPERTY | 103,642 |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 25) | 88,877,349 |

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

| | | | | | |
|----------|--|-----------|-----------|--|--|
| 1 | Total revenue, gains, and other support per audited financial statements | | 1 | | |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12 | | 2e | | |
| a | Net unrealized gains (losses) on investments | 2a | | | |
| b | Donated services and use of facilities | 2b | | | |
| c | Recoveries of prior year grants | 2c | | | |
| d | Other (Describe in Part XIII) | 2d | | | |
| e | Add lines 2a through 2d | | 2e | | |
| 3 | Subtract line 2e from line 1 | | 3 | | |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1 | | 4c | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | | |
| b | Other (Describe in Part XIII) | 4b | | | |
| c | Add lines 4a and 4b | | | | |
| 5 | Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12) | | 5 | | |

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

| | | | | | |
|----------|---|-----------|-----------|--|--|
| 1 | Total expenses and losses per audited financial statements | | 1 | | |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25 | | 2e | | |
| a | Donated services and use of facilities | 2a | | | |
| b | Prior year adjustments | 2b | | | |
| c | Other losses | 2c | | | |
| d | Other (Describe in Part XIII) | 2d | | | |
| e | Add lines 2a through 2d | | 2e | | |
| 3 | Subtract line 2e from line 1 | | 3 | | |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1 : | | 4c | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | | |
| b | Other (Describe in Part XIII) | 4b | | | |
| c | Add lines 4a and 4b | | | | |
| 5 | Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18) | | 5 | | |

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

| Return Reference | Explanation | |
|------------------|-------------|--|
|------------------|-------------|--|

| | |
|------------------|--|
| Part XIII | Supplemental Information <i>(continued)</i> |
|------------------|--|

| Return Reference | Explanation |
|------------------|-------------|
|------------------|-------------|

**SCHEDULE F
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization
ESSENTIA HEALTH

Statement of Activities Outside the United States

- Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2018

**Open to Public
Inspection**

Employer identification number

20-0360007

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☐ No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States

3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

| (a) Region | (b) Number of offices in the region | (c) Number of employees, agents, and independent contractors in region | (d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region) | (e) If activity listed in (d) is a program service, describe specific type of service(s) in region | (f) Total expenditures for and investments in region |
|---|-------------------------------------|--|---|--|--|
| See Add'l Data | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| 3a Sub-total | 0 | 0 | | | 140,336,855 |
| b Total from continuation sheets to Part I | | | | | 0 |
| c Totals (add lines 3a and 3b) | 0 | 0 | | | 140,336,855 |

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

| 1 | (a) Name of organization | (b) IRS code section and EIN (if applicable) | (c) Region | (d) Purpose of grant | (e) Amount of cash grant | (f) Manner of cash disbursement | (g) Amount of non-cash assistance | (h) Description of non-cash assistance | (i) Method of valuation (book, FMV, appraisal, other) |
|----------|---------------------------------|---|-------------------|-----------------------------|---------------------------------|--|--|---|--|
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

- 2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ► _____
- 3 Enter total number of other organizations or entities ► _____

| | |
|-----------------|---|
| Part III | Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16. |
|-----------------|---|

Part III can be duplicated if additional space is needed.

[illegible]

Part IV Foreign Forms

- 1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* ☒ Yes ☐ No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A, don't file with Form 990)* ☐ Yes ☒ No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons with Respect to Certain Foreign Corporations (see Instructions for Form 5471)* ☒ Yes ☐ No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* ☐ Yes ☒ No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* ☐ Yes ☒ No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713, don't file with Form 990)* ☐ Yes ☒ No

Part V **Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

| ReturnReference | Explanation |
|-----------------|-------------|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

Additional Data

Software ID:

Software Version:

EIN: 20-0360007

Name: ESSENTIA HEALTH

Form 990 Schedule F Part I - Activities Outside The United States

| (a) Region | (b) Number of offices in the region | (c) Number of employees or agents in region | (d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region) | (e) If activity listed in (d) is a program service, describe specific type of service(s) in region | (f) Total expenditures for region |
|--|-------------------------------------|---|--|--|-----------------------------------|
| CENTRAL AMERICA AND THE CARIBBEAN - ANTIGUA & BARBUDA, ARUBA, BAHAMAS, | 0 | 0 | INVESTMENTS | | 124,392,978 |
| CENTRAL AMERICA AND THE CARIBBEAN - ANTIGUA & BARBUDA, ARUBA, BAHAMAS, | 0 | 0 | PROGRAM SERVICES | SELF INDEMNITY | 15,939,600 |

Form 990 Schedule F Part I - Activities Outside The United States

| (a) Region | (b) Number of offices in the region | (c) Number of employees or agents in region | (d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region) | (e) If activity listed in (d) is a program service, describe specific type of service(s) in region | (f) Total expenditures for region |
|---------------|-------------------------------------|---|--|--|-----------------------------------|
| NORTH AMERICA | 0 | 0 | SEND AGENTS TO SEMINAR | | 4,277 |

| | | |
|--------------------------|---|---------------------------|
| Schedule J (Form 990) | <div>Compensation Information</div> <div>For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees</div> <div>▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23. ▶ Attach to Form 990.</div> <div>▶ Go to www.irs.gov/Form990 for instructions and the latest information.</div> | OMB No 1545-0047 |
| | | 2018 |
| | | Open to Public Inspection |

| | | |
|--|---|--|
| Department of the Treasury Internal Revenue Service | Name of the organization ESSENTIA HEALTH | Employer identification number 20-0360007 |
|--|---|--|

| Part I Questions Regarding Compensation | | Yes | No |
|---|---|-----------|-----|
| 1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items | | | |
| <input checked="" type="checkbox"/> First-class or charter travel | <input checked="" type="checkbox"/> Housing allowance or residence for personal use | | |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence | | |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees | | |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e g , maid, chauffeur, chef) | | |
| b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain | | 1b | Yes |
| 2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a? | | 2 | Yes |
| 3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III | | | |
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract | | |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study | | |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee | | |
| 4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization | | | |
| a Receive a severance payment or change-of-control payment? | | 4a | Yes |
| b Participate in, or receive payment from, a supplemental nonqualified retirement plan? | | 4b | Yes |
| c Participate in, or receive payment from, an equity-based compensation arrangement? | | 4c | No |
| If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III | | | |
| Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9. | | | |
| 5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of | | | |
| a The organization? | | 5a | No |
| b Any related organization? | | 5b | No |
| If "Yes," on line 5a or 5b, describe in Part III | | | |
| 6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of | | | |
| a The organization? | | 6a | No |
| b Any related organization? | | 6b | No |
| If "Yes," on line 6a or 6b, describe in Part III | | | |
| 7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III | | 7 | No |
| 8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III | | 8 | Yes |
| 9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? | | 9 | Yes |

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

See Additional Data Table**Schedule J (Form 990) 2018**

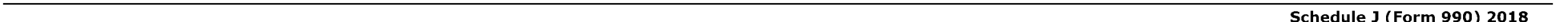
Part III **Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

| Return Reference | Explanation |
|------------------|---|
| PART I, LINE 1A | BENEFITS PROVIDED. DURING CALENDAR YEAR 2018, CHARTER TRAVEL WAS USED BY FOUR BOARD DIRECTORS, TWO OFFICERS, AND FIVE KEY EMPLOYEES FOR TRAVEL BETWEEN ESSENTIA HEALTH'S OFFICE IN DULUTH, MN AND OTHER ORGANIZATIONS. THE USE OF CHARTER TRAVEL IS NOT TREATED AS TAXABLE COMPENSATION TO THESE INDIVIDUALS AS ALL TRAVEL WAS BUSINESS RELATED. DURING TAX YEAR 2018, AS NEW EMPLOYEES RELOCATING FROM ANOTHER AREA, KEY EMPLOYEES JODI MANSFIELD AND TRACY MILAND RECEIVED HOUSING ALLOWANCES. THESE BENEFITS WERE TREATED AS TAXABLE COMPENSATION TO BOTH INDIVIDUALS. |

| Return Reference | Explanation |
|--------------------|---|
| PART I, LINES 4A-B | <p>SEVERANCE PAYMENT KEY EMPLOYEE, JEFFREY KORSMO, RECEIVED PAYMENT TOTALING \$659,088 IN CALENDAR YEAR 2018 RELATED TO HIS TERMINATION THE TERMINATION TERMS ARE FROM MARCH 5, 2018 TO SEPTEMBER 5, 2019 MR KORSMO WILL RECEIVE PAY TOTALING \$1,285,222 & BENEFITS TOTALING \$15,611 RELATED TO HIS TERMINATION KEY EMPLOYEE, TRACY MILAND, RECEIVED PAYMENT TOTALING \$275,713 IN CALENDAR YEAR 2018 RELATED TO HER TERMINATION THE TERMINATION TERMS ARE FROM MARCH 5, 2018 TO SEPTEMBER 5, 2019 MS MILAND WILL RECEIVE PAY TOTALING \$514,488 & BENEFITS TOTALING \$38,144 RELATED TO HER TERMINATION FORMER OFFICER, ROBERT NORMAN, RECEIVED PAYMENT TOTALING \$569,858 IN CALENDAR YEAR 2018 RELATED TO HIS TERMINATION THE TERMINATION TERMS ARE FROM NOVEMBER 1, 2017 TO MAY 1, 2019 MR NORMAN WILL RECEIVE PAY TOTALING \$854,786 & BENEFITS TOTALING \$20,120 RELATED TO HIS TERMINATION FORMER KEY EMPLOYEE, STEVEN JORGENSEN, RECEIVED PAYMENT TOTALING \$425,818 IN CALENDAR YEAR 2018 RELATED TO HIS TERMINATION THE TERMINATION TERMS WERE FROM JANUARY 19, 2018 TO DECEMBER 19, 2018 MR JORGENSEN RECEIVED PAY TOTALING \$425,818 & BENEFITS TOTALING \$23,907 RELATED TO HIS TERMINATION ALL OTHER INDIVIDUALS LISTED AS FORMERS IN FORM 990, PART VII, SECTION A, LINE 1A DID NOT RECEIVE A SEVERANCE PAYMENT DURING CALENDAR YEAR 2018 SOME OF THESE INDIVIDUALS REMAIN EMPLOYED WITHIN ESSENTIA HEALTH AND ITS SUBSIDIARIES SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN ESSENTIA HEALTH'S NONQUALIFIED RETIREMENT PLAN IS OFFERED TO DESIGNATED ESSENTIA HEALTH EXECUTIVES THERE IS A MINIMUM FOUR YEAR VESTING DATE, OR VESTING IS AUTOMATIC UPON REACHING RETIREMENT AGE, DEATH, DISABILITY OR INVOLUNTARY TERMINATION WITHOUT CAUSE BENEFITS ARE SUBJECT TO INCOME TAXES UPON VESTING AND PAYABLE FROM ESSENTIA HEALTH'S GENERAL ASSETS REPORTED AS OTHER REPORTABLE COMPENSATION IN SCHEDULE J, PART II, COLUMN B (III), THE FOLLOWING INDIVIDUALS LISTED IN FORM 990, PART VII, SECTION A, LINE 1A RECEIVED PAYMENT OF THE VESTED BENEFIT FROM THE SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN DURING THE YEAR TRACI MORRIS \$6,475 DENNIS DASSENKO \$149,393 DIANE DAVIDSON \$31,756 GREGORY GLASNER, MD \$61,251 SHEILA HART \$41,463 PETER HENRY, MD \$175,188 MICHAEL MAHONEY \$9,728 ADAM REES \$37,792 TIMOTHY SAYLER \$66,223 JEFFREY KORSMO \$190,380 TRACY MILAND \$16,070 DANIEL NIKCEVICH, MD \$105,386 TERESA O'TOOLE \$264,146 KRISTI SCHMIDT \$7,180 MARTIN SINCLAIR \$6,961 STEVEN JORGENSEN \$212,848 JOHN SMYLIE \$109,221 PATRICK TWOMEY, MD \$66,326 REPORTED AS RETIREMENT AND OTHER DEFERRED COMPENSATION IN SCHEDULE J, PART II, COLUMN C, ESSENTIA HEALTH MADE CONTRIBUTIONS, SUBJECT TO THE VESTING TERMS, DURING THE YEAR INTO THE SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN ON BEHALF OF THE FOLLOWING INDIVIDUALS LISTED IN FORM 990, PART VII, SECTION A, LINE 1A DAVID HERMAN, MD \$210,879 TRACI MORRIS \$27,605 BRADLEY BEARD \$43,259 DENNIS DASSENKO \$44,383 DIANE DAVIDSON \$43,374 GREGORY GLASNER, MD \$58,146 SHEILA HART \$29,485 PETER HENRY, MD \$52,508 MICHAEL MAHONEY \$9,167 ADAM REES \$34,028 TIMOTHY SAYLER \$45,240 ANNE STEPHEN, MD \$45,240 DEBORAH WELLE-POWELL \$47,256 RICHARD VETTER, MD \$32,385 MARK HAYWARD \$29,942 DANIEL NIKCEVICH, MD \$92,195 TERESA O'TOOLE \$59,075 KRISTI SCHMIDT \$2,942 MARTIN SINCLAIR \$8,491</p> |

| Return Reference | Explanation |
|------------------|---|
| PART I, LINE 8 | <p>INITIAL CONTRACT EXCEPTION ESSENTIA HEALTH'S CHIEF FINANCIAL OFFICER, TRACI MORRIS, RECEIVED COMPENSATION DURING THE YEAR UNDER AN INITIAL EMPLOYMENT AGREEMENT SUBJECT TO THE INITIAL CONTRACT EXCEPTION THROUGH THE ESSENTIA HEALTH EXECUTIVE COMPENSATION COMMITTEE, THIS COMPENSATION ARRANGEMENT WAS REVIEWED AND APPROVED BY INDEPENDENT PERSONS USING COMPARABILITY DATA AND DELIBERATIONS AND DECISIONS WERE DOCUMENTED ESSENTIA HEALTH'S EXECUTIVE VICE PRESIDENT, COO, JODI MANSFIELD, RECEIVED COMPENSATION DURING THE YEAR UNDER AN INITIAL EMPLOYMENT AGREEMENT SUBJECT TO THE INITIAL CONTRACT EXCEPTION THROUGH THE ESSENTIA HEALTH EXECUTIVE COMPENSATION COMMITTEE, THIS COMPENSATION ARRANGEMENT WAS REVIEWED AND APPROVED BY INDEPENDENT PERSONS USING COMPARABILITY DATA AND DELIBERATIONS AND DECISIONS WERE DOCUMENTED ESSENTIA HEALTH'S CHIEF STRATEGY OFFICER, TRACY MILAND, RECEIVED COMPENSATION DURING THE YEAR UNDER AN INITIAL EMPLOYMENT AGREEMENT SUBJECT TO THE INITIAL CONTRACT EXCEPTION THROUGH THE ESSENTIA HEALTH EXECUTIVE COMPENSATION COMMITTEE, THIS COMPENSATION ARRANGEMENT WAS REVIEWED AND APPROVED BY INDEPENDENT PERSONS USING COMPARABILITY DATA AND DELIBERATIONS AND DECISIONS WERE DOCUMENTED ESSENTIA HEALTH'S VICE PRESIDENT OF REVENUE SERVICES, MELANIE WILSON, RECEIVED COMPENSATION DURING THE YEAR UNDER AN INITIAL EMPLOYMENT AGREEMENT SUBJECT TO THE INITIAL CONTRACT EXCEPTION THROUGH THE ESSENTIA HEALTH EXECUTIVE COMPENSATION COMMITTEE, THIS COMPENSATION ARRANGEMENT WAS REVIEWED AND APPROVED BY INDEPENDENT PERSONS USING COMPARABILITY DATA AND DELIBERATIONS AND DECISIONS WERE DOCUMENTED</p> |



Additional Data

Software ID:
Software Version:
EIN: 20-0360007
Name: ESSENTIA HEALTH

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

| (A) Name and Title | | (B) Breakdown of W-2 and/or 1099-MISC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|---|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
| | | (i) Base Compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| THOMAS RUSS MD BOARD DIRECTOR | (i) | 30,000 | 0 | 0 | 0 | 0 | 30,000 | 0 |
| | (ii) | 250,995 | 0 | 3,810 | 13,561 | 10,945 | 279,311 | 0 |
| LAURA BOEHLKE-BRAY MD BOARD DIRECTOR THRU 12/19 | (i) | 10,000 | 0 | 0 | 0 | 0 | 10,000 | 0 |
| | (ii) | 207,911 | 0 | 881 | 15,048 | 1,235 | 225,075 | 0 |
| JOEL HAUGEN MD BOARD DIRECTOR THRU 12/19 | (i) | 18,375 | 0 | 0 | 0 | 0 | 18,375 | 0 |
| | (ii) | 299,615 | 0 | 2,181 | 22,000 | 23,229 | 347,025 | 0 |
| DAVID HERMAN MD CHIEF EXECUTIVE OFFICER | (i) | 1,183,542 | 224,683 | 11,664 | 245,075 | 4,841 | 1,669,805 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TRACI MORRIS CHIEF FINANCIAL OFFICER | (i) | 453,282 | 46,542 | 8,680 | 50,228 | 3,035 | 561,767 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| BRADLEY BEARD CHIEF OPERATING OFFICER - EAST | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 208,354 | 20,000 | 22,916 | 43,259 | 11,331 | 305,860 | 0 |
| DENNIS DASSENKO CHIEF INFORMATION OFFICER | (i) | 376,235 | 69,575 | 158,145 | 70,244 | 23,664 | 697,863 | 100,237 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DIANE DAVIDSON CHIEF HUMAN RESOURCE OFFICER | (i) | 362,127 | 66,276 | 40,450 | 67,657 | 26,378 | 562,888 | 31,756 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PATRICIA DELONG CHIEF NURSING OFFICER - CENTRAL | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 227,165 | 18,925 | 1,449 | 12,214 | 13,256 | 273,009 | 0 |
| GREGORY GLASNER MD PRESIDENT - WEST | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 496,973 | 80,061 | 68,527 | 76,477 | 30,066 | 752,104 | 49,414 |
| SHEILA HART SENIOR VP-INTEGRATED CARE | (i) | 279,437 | 51,696 | 48,077 | 54,545 | 27,686 | 461,441 | 39,619 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PETER HENRY MD CHIEF MEDICAL OFFICER | (i) | 441,541 | 104,098 | 185,663 | 74,712 | 25,687 | 831,701 | 125,872 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MICHAEL MAHONEY VICE PRESIDENT, PUBLIC POLICY | (i) | 243,063 | 33,411 | 27,008 | 30,813 | 19,832 | 354,127 | 7,596 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| JODI MANSFIELD EXECUTIVE VICE PRESIDENT, COO | (i) | 396,640 | 0 | 46,566 | 0 | 1,264 | 444,470 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ADAM REES PRESIDENT - CENTRAL | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 328,290 | 78,279 | 42,822 | 59,131 | 28,642 | 537,164 | 30,574 |
| TIMOTHY SAYLER CHIEF OPERATING OFFICER - WEST | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 399,166 | 67,169 | 75,569 | 67,689 | 29,945 | 639,538 | 66,223 |
| ANNE STEPHEN MD CHIEF MEDICAL OFFICER - EAST | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 399,951 | 62,732 | 6,089 | 67,689 | 34,011 | 570,472 | 0 |
| DEBORAH WELLE-POWELL CHIEF POPULATION HEALTH OFFICER | (i) | 416,172 | 83,523 | 9,662 | 69,468 | 15,129 | 593,954 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| RICHARD VETTER MD CHIEF MEDICAL OFFICER - WEST | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 479,872 | 0 | 4,326 | 54,393 | 29,404 | 567,995 | 0 |
| MARK HAYWARD SENIOR VP, OPERATIONS THRU 7/18 | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 375,844 | 48,459 | 4,644 | 52,134 | 34,189 | 515,270 | 0 |

| Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees | | | | | | | | |
|---|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
| (A) Name and Title | | (B) Breakdown of W-2 and/or 1099-MISC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
| | | (i) Base Compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| JEFFREY KORSMO EVP, OPS & ADMIN THRU 3/18 | (i) | 192,666 | 0 | 852,605 | 15,818 | 13,344 | 1,074,433 | 188,397 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TRACY MILAND CHIEF STRATEGY OFFICER THRU 3/18 | (i) | 58,457 | 0 | 300,290 | 0 | 32,424 | 391,171 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DANIEL NIKCEVICH MD PRESIDENT - EAST THRU 7/18 | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 684,101 | 115,893 | 113,048 | 115,285 | 35,011 | 1,063,338 | 85,888 |
| TERESA O'TOOLE CHIEF LEGAL OFFICER THRU 3/19 | (i) | 488,966 | 97,777 | 275,652 | 81,402 | 15,008 | 958,805 | 166,809 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| KRISTI SCHMIDT CHIEF MKTG & COM OFF THRU 1/19 | (i) | 221,593 | 20,273 | 8,904 | 20,981 | 2,033 | 273,784 | 4,019 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MICHAEL VAN SCOY MD PHYSICIAN LEADER | (i) | 377,439 | 0 | 1,919 | 22,132 | 32,779 | 434,269 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| RAJESH PRABHU MD PHYSICIAN LEADER | (i) | 333,657 | 0 | 672 | 22,000 | 7,092 | 363,421 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MELANIE WILSON VIC PRESIDENT, REVENUE SERVICES | (i) | 284,969 | 29,109 | 18,522 | 0 | 27,112 | 359,712 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MICHAEL WHITCOMB MD PHYSICIAN LEADER | (i) | 287,391 | 0 | 1,861 | 21,923 | 22,563 | 333,738 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MARTIN SINCLAIR DEPUTY CHIEF LEGAL OFFICER | (i) | 246,019 | 24,515 | 12,610 | 29,730 | 3,015 | 315,889 | 4,359 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ROBERT NORMAN FORMER CHIEF FINANCIAL OFFICER | (i) | 0 | 0 | 565,006 | 0 | 15,930 | 580,936 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| STEVEN JORGENSEN FORMER CHIEF OPERATING OFFICER - EAS | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 32,780 | 0 | 675,345 | 1,907 | 20,473 | 730,505 | 71,338 |
| JOHN SMYLIE FORMER CHIEF OPERATING OFFICER | (i) | 0 | 0 | 109,221 | 0 | 0 | 109,221 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PATRICK TWOMEY MD FORMER CHIEF MEDICAL OFFICER | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 556,525 | 0 | 67,748 | 22,118 | 35,769 | 682,160 | 53,490 |

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule K
(Form 990)

Supplemental Information on Tax-Exempt Bonds

► Complete if the organization answered "Yes" to Form 990, Part VI, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
ESSENTIA HEALTH

Employer identification number
20-0360007

| Part I Bond Issues | | | | | | | | | | | |
|---|----------------|-------------|-----------------|-----------------|-------------------------------|--------------|----|-------------------------|----|--------------------|----|
| (a) Issuer name | (b) Issuer EIN | (c) CUSIP # | (d) Date issued | (e) Issue price | (f) Description of purpose | (g) Defeased | | (h) On behalf of issuer | | (i) Pool financing | |
| | | | | | | Yes | No | Yes | No | Yes | No |
| A CASS COUNTY ND | 45-6002205 | 148047AU7 | 02-25-2010 | 59,573,111 | SRS 2008A REOFF (SEE PART VI) | | X | | X | | X |
| B WI HEALTH & EDU FAC AUTH | 39-1337855 | 97710BSD5 | 02-25-2010 | 12,854,722 | SRS 2008B REOFF (SEE PART VI) | | X | | X | | X |
| C MN AG & ECON DEVEL BRD | 41-6007162 | 6049202H0 | 02-25-2010 | 165,717,405 | SRS 2008C REOFF (SEE PART VI) | | X | | X | | X |
| D DULUTH ECONOMIC DEVELOPMENT AUTHORITY | 90-0848286 | 26444CHF2 | 11-01-2018 | 704,253,406 | SERIES 2018A (SEE PART VI) | | X | | X | | X |

| Part II | | Proceeds | | | | | | | |
|---------|--|-----------|----|---------|----|------------|----|-----------|----|
| | | A | | B | | C | | D | |
| 1 | Amount of bonds retired | | | | | 2,398,175 | | | |
| 2 | Amount of bonds legally defeased | | | | | | | | |
| 3 | Total proceeds of issue | 3,872,252 | | 835,557 | | 10,771,632 | | 3,776,805 | |
| 4 | Gross proceeds in reserve funds | | | | | | | | |
| 5 | Capitalized interest from proceeds | | | | | | | | |
| 6 | Proceeds in refunding escrows | | | | | | | | |
| 7 | Issuance costs from proceeds | | | | | 123,454 | | 32,652 | |
| 8 | Credit enhancement from proceeds | | | | | | | | |
| 9 | Working capital expenditures from proceeds | | | | | | | | |
| 10 | Capital expenditures from proceeds | | | | | | | | |
| 11 | Other spent proceeds | 3,872,252 | | 835,557 | | 10,648,178 | | 3,744,153 | |
| 12 | Other unspent proceeds | | | | | | | | |
| 13 | Year of substantial completion | 2010 | | 2010 | | 2010 | | | |
| | | Yes | No | Yes | No | Yes | No | Yes | No |
| 14 | Were the bonds issued as part of a current refunding issue? | X | | X | | X | | X | |
| 15 | Were the bonds issued as part of an advance refunding issue? | | X | | X | | X | | X |
| 16 | Has the final allocation of proceeds been made? | X | | X | | X | | | X |
| 17 | Does the organization maintain adequate books and records to support the final allocation of proceeds? | X | | X | | X | | X | |

| Part III Private Business Use | | | | | | | | | |
|-------------------------------|--|-----|----|-----|----|-----|----|-----|----|
| | | A | | B | | C | | D | |
| | | Yes | No | Yes | No | Yes | No | Yes | No |
| 1 | Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? | | X | | X | | X | | X |
| 2 | Are there any lease arrangements that may result in private business use of bond-financed property? | | X | | X | | X | | X |

Part III

Private Business Use (Continued)

| | | A | | B | | C | | D | |
|-----------|--|-----|----|-----|----|-----|----|-----|----|
| | | Yes | No | Yes | No | Yes | No | Yes | No |
| 3a | Are there any management or service contracts that may result in private business use of bond-financed property? | | X | | X | X | | | X |
| b | If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property? | | | | | | X | | |
| c | Are there any research agreements that may result in private business use of bond-financed property? | | X | | X | | X | | X |
| d | If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? | | | | | | | | |
| 4 | Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶ | 0 % | | 0 % | | 0 % | | 0 % | |
| 5 | Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶ | | | | | | | | |
| 6 | Total of lines 4 and 5 | 0 % | | 0 % | | 0 % | | 0 % | |
| 7 | Does the bond issue meet the private security or payment test? . . . | | X | | X | | X | | X |
| 8a | Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued? | | X | | X | | X | | X |
| b | If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of . . | | | | | | | | |
| c | If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? | | | | | | | | |
| 9 | Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? | X | | X | | X | | X | |

Part IV

Arbitrage

| | | A | | B | | C | | D | |
|-----------|--|-----|----|-----|----|-----|----|-----|----|
| | | Yes | No | Yes | No | Yes | No | Yes | No |
| 1 | Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? | | X | | X | | X | | X |
| 2 | If "No" to line 1, did the following apply? | | | | | | | | |
| a | Rebate not due yet? | | X | | X | | X | | X |
| b | Exception to rebate? | X | | X | | X | | | X |
| c | No rebate due? | | X | | X | | X | X | |
| | If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed | | | | | | | | |
| 3 | Is the bond issue a variable rate issue? | | X | | X | | X | | X |
| 4a | Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? | | X | | X | | X | | X |
| b | Name of provider | | | | | | | | |
| c | Term of hedge | | | | | | | | |
| d | Was the hedge superintegrated? | | | | | | | | |
| e | Was the hedge terminated? | | | | | | | | |

Part IV Arbitrage (Continued)

| | A | | B | | C | | D | |
|--|------------|-----------|------------|-----------|------------|-----------|------------------|-----------|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 5a Were gross proceeds invested in a guaranteed investment contract (GIC)? | | X | | X | | X | X | |
| b Name of provider | | | | | | | SEE PART VI | |
| c Term of GIC | | | | | | | 340 0000000000 % | |
| d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? | | | | | | | X | |
| 6 Were any gross proceeds invested beyond an available temporary period? | | X | | X | | X | | X |
| 7 Has the organization established written procedures to monitor the requirements of section 148? | X | | X | | X | | X | |

Part V Procedures To Undertake Corrective Action

| | A | | B | | C | | D | |
|--|------------|-----------|------------|-----------|------------|-----------|------------|-----------|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations? | X | | X | | X | | X | |

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions).

| Return Reference | Explanation |
|-----------------------------------|--|
| DATE REBATE COMPUTATION PERFORMED | ISSUER NAME DULUTH ECONOMIC DEVELOPMENT AUTHORITY DATE THE REBATE COMPUTATION WAS PERFORMED 06/30/2019 |

| Return Reference | Explanation |
|------------------|--|
| SCHEDULE K | <p>ADDITIONAL INFORMATION/COMMENTS RELATING TO THE REPORTING OF LIABILITIES BY RELATED ORGANIZATIONS ESSENTIA HEALTH HAS AN OBLIGATED GROUP CREATED UNDER THE MASTER TRUST INDENTURE WHICH IS COMPOSED OF THE FOLLOWING MEMBERS ESSENTIA HEALTH, CRITICAL ACCESS GROUP, ESSENTIA HEALTH EAST, ESSENTIA HEALTH ST JOSEPH'S MEDICAL CENTER, ESSENTIA HEALTH ST MARY'S-DETROIT LAKES, ESSENTIA HEALTH ST MARY'S MEDICAL CENTER, ESSENTIA HEALTH DULUTH, ESSENTIA HEALTH POLINSKY MEDICAL REHABILITATION CENTER, ESSENTIA HEALTH ST MARY'S HOSPITAL-SUPERIOR, ESSENTIA HEALTH BRAINERD SPECIALTY CLINIC, ESSENTIA HEALTH CENTRAL, ST MARY'S INNOVIS HEALTH, THE DULUTH CLINIC, LTD AND ESSENTIA HEALTH WEST (THE "OBLIGATED GROUP MEMBERS") THE OBLIGATED GROUP MEMBERS ARE JOINTLY AND SEVERALLY OBLIGATED ON ALL INDEBTEDNESS EVIDENCED OR SECURED BY NOTES ISSUED UNDER THE MASTER TRUST INDENTURE SERIES 2008A REOFFERED THE SERIES 2008A REOFFERED BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER TRUST INDENTURE ESSENTIA HEALTH IS THE CONDUIT BORROWER OF THE SERIES 2008A REOFFERED BONDS AND HAS RECORDED A PORTION OF THE BOND LIABILITY ON ITS BALANCE SHEET THE OBLIGATED GROUP MEMBERS, ESSENTIA HEALTH WEST, THE DULUTH CLINIC, LTD , AND ESSENTIA HEALTH ST MARY'S-DETROIT LAKES, ARE INDIRECT BENEFICIARIES OF THE SERIES 2008A REOFFERED BORROWING AND HAVE RECORDED A PORTION OF THE BOND LIABILITY ON THEIR BALANCE SHEETS WHICH ARE CONSOLIDATED WITH ESSENTIA HEALTH SERIES 2008B REOFFERED THE SERIES 2008B REOFFERED BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER TRUST INDENTURE THE OBLIGATED GROUP MEMBERS THE DULUTH CLINIC, LTD , ESSENTIA HEALTH AND ESSENTIA HEALTH ST MARY'S HOSPITAL-SUPERIOR ARE THE CONDUIT BORROWERS OF THE SERIES 2008B REOFFERED BONDS THE CONDUIT BORROWERS, THE DULUTH CLINIC, LTD AND ESSENTIA HEALTH, HAVE RECORDED A PORTION OF THE BOND LIABILITY ON THEIR BALANCE SHEETS WHICH ARE CONSOLIDATED WITH ESSENTIA HEALTH THE OBLIGATED GROUP MEMBERS, ESSENTIA HEALTH WEST AND ESSENTIA HEALTH ST MARY'S-DETROIT LAKES, ARE INDIRECT BENEFICIARIES OF A PORTION OF THE SERIES 2008B REOFFERED BORROWING AND HAVE RECORDED A PORTION OF THE BOND LIABILITY ON THEIR BALANCE SHEETS WHICH ARE CONSOLIDATED WITH ESSENTIA HEALTH SERIES 2008C REOFFERED THE SERIES 2008C REOFFERED BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER TRUST INDENTURE THE OBLIGATED GROUP MEMBERS ESSENTIA HEALTH EAST, ESSENTIA HEALTH ST JOSEPH'S MEDICAL CENTER, ESSENTIA HEALTH ST MARY'S-DETROIT LAKES, THE DULUTH CLINIC, LTD , ESSENTIA HEALTH, AND ESSENTIA HEALTH ST MARY'S MEDICAL CENTER ARE THE CONDUIT BORROWERS OF THE SERIES 2008C REOFFERED BONDS THE CONDUIT BORROWERS, ESSENTIA HEALTH ST MARY'S-DETROIT LAKES, ESSENTIA HEALTH, AND THE DULUTH CLINIC, LTD , HAVE RECORDED A PORTION OF THE BOND LIABILITY ON THEIR BALANCE SHEETS WHICH ARE CONSOLIDATED WITH ESSENTIA HEALTH THE OBLIGATED GROUP MEMBER, ESSENTIA HEALTH WEST IS AN INDIRECT BENEFICIARY OF A PORTION OF THE SERIES 2008C REOFFERED BORROWING AND HAS REC</p> |

| Return Reference | Explanation |
|------------------|---|
| SCHEDULE K | <p> ORDERED A PORTION OF THE BOND LIABILITY ON ITS BALANCE SHEET WHICH IS CONSOLIDATED WITH ESSENTIA HEALTH SERIES 2018A. THE SERIES 2018A BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER TRUST INDENTURE. THE OBLIGATED GROUP MEMBERS: ESSENTIA HEALTH, ESSENTIA HEALTH EAST, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH DULUTH, ESSENTIA HEALTH ST. MARY'S MEDICAL CENTER, ESSENTIA HEALTH ST. JOSEPH'S MEDICAL CENTER, ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, ESSENTIA HEALTH CENTRAL, ESSENTIA HEALTH BRAINERD SPECIALTY CLINIC, AND ESSENTIA HEALTH WEST ARE THE CONDUIT BORROWERS OF THE SERIES 2018A BONDS. THE CONDUIT BORROWERS, ESSENTIA HEALTH, ESSENTIA HEALTH ST. MARY'S-DETROIT LAKES, ESSENTIA HEALTH DULUTH, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH WEST, AND ESSENTIA HEALTH ST. JOSEPH'S MEDICAL CENTER, HAVE RECORDED A PORTION OF THE BOND LIABILITY ON THEIR BALANCE SHEETS WHICH ARE CONSOLIDATED WITH ESSENTIA HEALTH. </p> |

| Return Reference | Explanation |
|---|--|
| <p>SCHEDULE K, PART I, COLUMN (F)</p> | <p>DESCRIPTION OF PURPOSE SERIES 2008A REOFFERED REOFFER SERIES 2008 A-1 AND A-2 BONDS ISSUED MARCH 4, 2008 TO REFINANCE A PORTION OF THE ACQUISITION OF CERTAIN ASSETS OF ESSENTIA HEALTH WEST IN CONNECTION WITH THE AFFILIATION OF ESSENTIA HEALTH WITH ESSENTIA HEALTH WEST SERIES 2008B REOFFERED REOFFER SERIES 2008 B-1 BONDS ISSUED MARCH 4, 2008 TO REFUND SERIES 1999B BONDS ISSUED MAY 18, 1999 FOR CONSTRUCTION PROJECTS AND EQUIPMENT PURCHASES IN SUPERIOR, WI AND VARIOUS DULUTH CLINIC LOCATIONS IN NORTHWESTERN WISCONSIN SERIES 2008C REOFFERED REOFFER SERIES 2008 C-5 AND 2008 C-4A BONDS ISSUED MARCH 4, 2008 TO REFUND SERIES 2004 BONDS ISSUED MARCH 19, 2004 FOR VARIOUS ACQUISITIONS, CONSTRUCTION PROJECTS, CAPITAL IMPROVEMENTS AND EQUIPMENT PURCHASES IN DULUTH, BRAINERD, AND DETROIT LAKES, MN AND REFUND SERIES 1999A BONDS ISSUED MAY 18, 1999 FOR VARIOUS ACQUISITIONS, CONSTRUCTION PROJECTS, CAPITAL IMPROVEMENTS AND EQUIPMENT PURCHASES IN BRAINERD, DETROIT LAKES AND DULUTH, MN AND VARIOUS DULUTH CLINIC SITES IN NORTHERN MINNESOTA SERIES 2018A ACQUIRE, CONSTRUCT, BUILD, AND EQUIP MEDICAL CAMPUS PROJECT IN DULUTH, MN, REFUND SERIES 2008E BONDS ISSUED MAY 2, 2008 TO REFINANCE SERIES 1997 BONDS ISSUED DECEMBER 18, 1997 TO FINANCE EQUIPMENT PURCHASES IN DULUTH, MN AND FINANCE PROPERTY ACQUISITIONS, CAPITAL IMPROVEMENTS AND EQUIPMENT PURCHASES IN NORTHERN MINNESOTA, AND REFUND SERIES 2014 BONDS ISSUED JULY 29, 2014 TO REFINANCE PRIOR NOTE USED FOR CAPITAL IMPROVEMENTS TO SKILLED NURSING FACILITY LOCATED IN DETROIT LAKES, MN AND VARIOUS CONSTRUCTION PROJECTS AND EQUIPMENT PURCHASES IN BAXTER, FRAZEE, AND PELICAN RAPIDS, MN AND FINANCE CAPITAL EXPENDITURES TO REPLACE THE CHILLER UNIT FOR ESSENTIA HEALTH VIRGINIA, RENOVATE APPROXIMATELY 118,000 SQUARE FEET OF CLINIC SPACE FOR ESSENTIA HEALTH BRAINERD SPECIALTY CLINIC, REMODEL AND EQUIP EXISTING CLINIC SPACE IN EMILY, MN FOR ESSENTIA HEALTH ST JOSEPH'S MEDICAL CENTER, AND EXPAND AND REMODEL THE IMAGING AREA IN THE EMERGENCY ROOM OF ESSENTIA HEALTH ST MARY'S-DETROIT LAKES' HOSPITAL</p> |

| Return Reference | Explanation |
|-----------------------------|---|
| SCHEDULE K, PART II, LINE 3 | ISSUE PRICE THE SERIES 2008A REOFFERED, SERIES 2008B REOFFERED, SERIES 2008C REOFFERED, AND SERIES 2018A BONDS WERE ISSUED BY THE ESSENTIA HEALTH OBLIGATED GROUP THE ISSUE PRICE LISTED IN ESSENTIA HEALTH'S SCHEDULE K, PART I, COLUMN (E) REPRESENTS THE ESSENTIA HEALTH OBLIGATED GROUP'S TOTAL BORROWING |

| Return Reference | Explanation |
|---|---|
| SCHEDULE K, PART II, LINES 3 THROUGH 12 | PROCEEDS THE SERIES 2008A REOFFERED, SERIES 2008B REOFFERED, SERIES 2008C REOFFERED, AND SERIES 2018A BONDS WERE ISSUED BY THE ESSENTIA HEALTH OBLIGATED GROUP A PORTION OF THE SERIES 2008A REOFFERED, 2008B REOFFERED, 2008C REOFFERED AND 2018A BORROWINGS WERE ALLOCATED TO ESSENTIA HEALTH, AN ESSENTIA HEALTH OBLIGATED GROUP MEMBER THE PROCEEDS LISTED IN ESSENTIA HEALTH'S SCHEDULE K, PART II, LINES 3 THROUGH 12 REPRESENT ESSENTIA HEALTH'S ALLOCATED PORTION OF THE PROCEEDS |

| Return Reference | Explanation |
|---------------------------------|--|
| SCHEDULE K, PART IV, LINE 5B | NAME OF PROVIDER OF GIC NATIXIS FUNDING CORP & THE TORONTO-DOMINION BANK |

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury

Name of the organization
ESSENTIA HEALTH

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Employer identification number

20-0360007

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|---------------------------|--|
| FORM 990, PART V, LINE 1A | 1099 REPORTING CERTAIN VENDOR PAYMENTS AND FORM 1099'S WERE PROCESSED THROUGH ESSENTIA HEALTH ON BEHALF OF CERTAIN LEGAL ENTITIES COMPRISING ESSENTIA HEALTH |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|---------------------------------|-------------------------------|
| FORM 990, PART V, LINE 1C | NO GAMING (GAMBLING) WINNINGS |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|--|---|
| FORM 990, PART VI, SECTION A, LINE 7B | <p>MEMBER WITH RIGHT TO APPROVE GOVERNING BODY DECISIONS THE BENEDICTINE SISTERS BENEVOLENT ASSOCIATION ("BSBA") HAS CERTAIN RESERVED POWERS OVER ESSENTIA HEALTH'S CATHOLIC FACILITIES BSBA'S RESERVED POWERS ARE AS FOLLOWS MISSION AUTHORITY TO APPROVE THE MISSION AND PURPOSE STATEMENTS FOR CATHOLIC FACILITIES AND ENTITIES WITHIN THE SYSTEM *ADHERENCE TO ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES (ERDS) AUTHORITY TO APPROVE THE METHODS, POLICIES AND PROCEDURES PERTAINING TO THE ADHERENCE OF CATHOLIC FACILITIES AND ENTITIES WITHIN THE SYSTEM TO THE ERDS *OFFICIAL CATHOLIC DIRECTORY AUTHORITY TO OVERSEE THE LISTING OF QUALIFIED ENTITIES AND FACILITIES WITHIN THE SYSTEM IN THE OFFICIAL CATHOLIC DIRECTORY, SUBJECT TO THE APPROVAL OF APPLICABLE CATHOLIC AUTHORITIES *CATHOLIC HEALTH ASSOCIATION AUTHORITY TO REQUIRE CATHOLIC FACILITIES AND ENTITIES WITHIN THE SYSTEM TO JOIN THE MEMBERSHIP OF THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES ALIENATION OF STABLE PATRIMONY OR ECCLESIASTICAL GOODS AUTHORITY TO APPROVE ALIENATION OF EITHER STABLE PATRIMONY OR OTHER ECCLESIASTICAL GOODS WITHIN THE SYSTEM IF SUCH GOODS INVOLVED IN A SPECIFIC TRANSACTION APPROVED BY ESSENTIA HEALTH PURSUANT TO THE AFFILIATION AGREEMENT, HAVE A DOLLAR VALUE EQUAL TO OR GREATER THAN 70% OF THE AMOUNT ESTABLISHED FROM TIME TO TIME THAT REQUIRES APPROVAL FROM THE HOLY SEE, PROVIDED, HOWEVER, THAT IT IS THE INTENT OF THE PARTIES THAT THIS PROVISION NOT BE APPLIED TO RESTRICT OR TO IMPEDE ESSENTIA HEALTH FROM ACTING AND MAKING DECISIONS ON BEHALF OF THE SYSTEM IN THE ORDINARY COURSE OF BUSINESS BUT BE APPLIED TO PREVENT THE TRANSFER OF SUBSTANTIAL ASSETS OF CATHOLIC ENTITIES WITHIN THE SYSTEM TO SUPPORT THE SECULAR ENTITIES WITHIN THE SYSTEM WITHOUT THE PRIOR APPROVAL OF BSBA *MISSION EFFECTIVENESS AUTHORITY TO APPROVE ANNUAL PLANS AND EVALUATIONS RELATING TO MISSION EFFECTIVENESS AND CHAPLAINCY FOR CATHOLIC FACILITIES AND ENTITIES WITHIN THE SYSTEM, INCLUDING THE USE OF RELIGIOUS SYMBOLS AND PRAYERS AMENDMENTS AUTHORITY TO APPROVE ANY AMENDMENTS TO THE GOVERNING DOCUMENTS OF ESSENTIA HEALTH, ESSENTIA HEALTH EAST (SMDC), ESSENTIA HEALTH CENTRAL (BLHS), ESSENTIA HEALTH WEST (INNOVIS) OR CRITICAL ACCESS GROUP (CAG) THAT WOULD ALTER THE NUMBER OF DULUTH BENEDICTINES OR BSBA BOARD OF DIRECTOR MEMBERS OR OTHER APPOINTEES OF THE DULUTH BENEDICTINES SERVING AS MEMBERS OF SUCH ENTITY'S BOARD OF DIRECTORS, AUTHORITY TO APPROVE ANY AMENDMENTS TO THE GOVERNING DOCUMENTS OF THE CATHOLIC CAG SUBSIDIARIES, THE CATHOLIC SMDC SUBSIDIARIES, THE CATHOLIC BLHS SUBSIDIARIES OR THE CATHOLIC SUBSIDIARIES OF INNOVIS, WHICH COULD MATERIALLY AFFECT SUCH ENTITY'S IDENTITY AS A CATHOLIC INSTITUTION, INCLUDING WITHOUT LIMITATION ANY AMENDMENT THAT WOULD ALTER THE NUMBER OF DULUTH BENEDICTINES OR BSBA BOARD OF DIRECTOR MEMBERS OR OTHER APPOINTEES OF THE DULUTH BENEDICTINES SERVING AS MEMBERS OF SUCH ENTITY'S BOARD OF DIRECTORS, AND AUTHORITY TO CAUSE ESSENTIA HEALTH TO MA</p> |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|--|---|
| FORM 990, PART VI, SECTION A, LINE 7B | <p>KE AMENDMENTS TO THE GOVERNING DOCUMENTS OF THE CATHOLIC SUBSIDIARIES OF ESSENTIA HEALTH'S DIRECT SUBSIDIARIES, WHICH AMENDMENTS BSBA DETERMINES IN GOOD FAITH ARE NECESSARY TO PRESERVE SUCH ENTITY'S IDENTITY AS A CATHOLIC INSTITUTION</p> <p>MERGERS AND DISSOLUTION SUBJECT TO THE APPROVAL OF THE DULUTH BENEDICTINES, AUTHORITY TO APPROVE A PROPOSED MERGER, CONSOLIDATION, LIQUIDATION, OR DISSOLUTION OF ST MARY'S MEDICAL CENTER (SMMC) AND ST JOSEPH'S MEDICAL CENTER (SJMC) OR THE DISPOSITION OF ALL OR SUBSTANTIALLY ALL THE ASSETS OF SMMC AND SJMC</p> <p>BSBA SPONSORSHIP AUTHORITY TO ESTABLISH, ACCEPT, TRANSFER OR TERMINATE BSBA SPONSORSHIP OR CO-SPONSORSHIP OF A HEALTHCARE FACILITY *RESERVED POWER CURRENTLY DELEGATED TO THE SPONSORSHIP COUNCIL</p> <p>NOTE SOME OF THE RESERVED POWERS OF THE BSBA BOARD LISTED ABOVE MAY ALSO BE RESERVED TO THE BENEDICTINE SISTERS OF ST SCHOLASTICA MONASTERY OF DULUTH (THE "CHAPTER OR "DULUTH BENEDICTINES")</p> <p>PRIOR TO THESE MATTERS GOING TO THE CHAPTER, ORDINARIL Y THEY WILL BE CONSIDERED AND ACTED UPON BY THE BSBA BOARD</p> <p>THE FOLLOWING ACTIONS OF THE BSBA BOARD ARE SUBJECT TO APPROVAL BY THE CHAPTER</p> <p>1 APPROVE MERGERS, CONSOLIDATIONS, LIQUIDATIONS, OR DISSOLUTIONS INVOLVING SMMC OR SJMC</p> <p>2 APPROVE THE ACQUISITION OR DISPOSITION OF REAL ESTATE OWNED BY BSBA</p> <p>3 APPROVE DISPOSITION OF ALL, OR SUBSTANTIALLY ALL, ASSETS OF SMMC OR SJMC</p> <p>4 APPROVE INDEBTEDNESS THAT WILL BE GUARANTEED BY BSBA</p> |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|--|---|
| FORM 990, PART VI, SECTION B, LINE 11B | FORM 990 REVIEW PROCESS THE 2018 FORM 990, INCLUDING ALL SCHEDULES, WAS REVIEWED BY ESSENTIA HEALTH'S MANAGEMENT AND EXECUTIVE COMMITTEE PRIOR TO FILING WITH THE INTERNAL REVENUE SERVICE EACH CURRENT DIRECTOR OF THE GOVERNING BODY RECEIVED A COPY OF THE 2018 FORM 990 ESSENTIA HEALTH'S FINANCE LEADER REVIEWED THE FORM AND SCHEDULES AND ANY QUESTIONS WERE DISCUSSED |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|---|--|
| FORM 990, PART VI, SECTION B, LINE 12C | <p>MONITORING AND ENFORCING CONFLICT OF INTEREST POLICY ESSENTIA HEALTH'S COMPREHENSIVE CONFLICT OF INTEREST PROGRAM PREVENTS, DETECTS, AND RESOLVES ACTUAL CONFLICTS OF INTERESTS OR THE ACTUAL OR POTENTIAL APPEARANCE OF SUCH FIDUCIARIES, DEFINED AS AN ESSENTIA HEALTH BOARD MEMBER/TRUSTEE, OFFICER, BOARD COMMITTEE MEMBER, SENIOR MANAGEMENT EMPLOYEE, OR ANY OTHERS CONSIDERED TO BE IN A POSITION OF INFLUENCE, ARE COVERED UNDER ESSENTIA HEALTH'S CONFLICT OF INTEREST PROGRAM UPON INITIAL APPOINTMENT, EACH FIDUCIARY MUST COMPLETE AN INITIAL CONFLICT OF INTEREST STATEMENT AND DISCLOSURE QUESTIONNAIRE AT THE CONCLUSION OF EACH CALENDAR YEAR, EACH FIDUCIARY MUST COMPLETE AN ANNUAL CONFLICT OF INTEREST STATEMENT AND DISCLOSURE QUESTIONNAIRE AS NEEDED, A FIDUCIARY WILL UPDATE HIS/HER MOST RECENTLY COMPLETED QUESTIONNAIRE EACH TIME THE FIDUCIARY BECOMES AWARE OF A FINANCIAL INTEREST, A POTENTIAL CONFLICT, OR CHANGE TO ANY INFORMATION THAT THE FIDUCIARY PREVIOUSLY REPORTED ESSENTIA HEALTH'S CHIEF COMPLIANCE OFFICER WILL COLLECT THE QUESTIONNAIRES AND EVALUATE THE DISCLOSURES IF A FIDUCIARY HAS A POTENTIAL CONFLICT OF INTEREST, THE CHIEF COMPLIANCE OFFICER OR DESIGNEE MAY REQUEST ADDITIONAL INFORMATION FROM THE FIDUCIARY, THE MANAGEMENT TEAM, AND OTHERS DURING THE EVALUATION PROCESS, THE CHIEF COMPLIANCE OFFICER MAY ALSO CONSULT WITH ESSENTIA HEALTH'S BOARD AND AUDIT COMMITTEE CHAIRS, SENIOR MANAGEMENT, LEGAL DEPARTMENT, OR APPROPRIATE REPRESENTATIVES FROM ESSENTIA HEALTH THE CHIEF COMPLIANCE OFFICER REPORTS TO THE ESSENTIA HEALTH AUDIT COMMITTEE AND THE ESSENTIA HEALTH BOARD OF DIRECTORS ANY ACTUAL OR POTENTIAL CONFLICTS OF INTEREST DISCLOSED BY THE FIDUCIARY, ALONG WITH RECOMMENDED ACTIONS THE ESSENTIA HEALTH BOARD OF DIRECTORS (OR DESIGNEE) WILL THEN DETERMINE WHETHER TO APPROVE THE SITUATION OR TO IMPLEMENT SPECIAL CONTROLS TO MANAGE THE POTENTIAL CONFLICT OF INTEREST THE CHIEF COMPLIANCE OFFICER WILL THEN OFFICIALLY NOTIFY THE FIDUCIARY IN WRITING OF THE BOARD'S DECISION THE DECISION OF WHETHER OR NOT THE DISCLOSURE CONSTITUTES A CONFLICT WILL BE AT THE ESSENTIA HEALTH BOARD OF DIRECTORS' (OR DESIGNEE) SOLE DISCRETION, AND ITS CONCERN MUST BE THE WELFARE OF ESSENTIA HEALTH AND ITS AFFILIATE(S) AND THE ADVANCEMENT OF ITS PURPOSES WHEN THE ESSENTIA HEALTH BOARD OF DIRECTORS (OR DESIGNEE) CONSIDERS A FIDUCIARY'S DISCLOSURE AS A CONFLICT OF INTEREST, SPECIAL CONTROLS WILL BE IDENTIFIED TO MANAGE, ELIMINATE OR REDUCE THE LIKELIHOOD AND/OR APPEARANCE OF A CONFLICT ARISING CONTROLS MAY INCLUDE, BUT ARE NOT LIMITED TO A IF THE CONFLICT INVOLVES AN ON-GOING MATTER OR RELATIONSHIP, THE FIDUCIARY MUST NOT PARTICIPATE IN BOARD, BOARD COMMITTEE, OR MANAGEMENT DISCUSSIONS RELATED TO THE CONFLICT AND MUST RECUSE THEMSELVES AND IF APPROPRIATE, WITHDRAW , FROM ANY BOARD MEETING OR PORTION THEREOF WHERE THE MATTER IS BEING DISCUSSED AND DURING THE VOTE ON THE POTENTIAL CONFLICT OF INTEREST THE FIDUCIARY MAY ANSWER QUESTIONS AT THE BOARD'S OR THE BOARD COMMITTEE</p> |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|---|---|
| FORM 990, PART VI, SECTION B, LINE 12C | E'S REQUEST B IF THE CONFLICT INVOLVES A SPECIFIC TRANSACTION OR DECISION, THE FIDUCIARY WILL FULLY DISCLOSE THEIR INTEREST AND ALL RELATED MATERIAL FACTS THE BOARD OR COMMITTEE OF THE BOARD WILL DETERMINE WHETHER THE CONTEMPLATED TRANSACTION MAY BE AUTHORIZED AS JUST, FAIR, AND REASONABLE TO ESSENTIA HEALTH OR ITS AFFILIATE(S) IF THE BOARD DETERMINES A CONFLICT DOES NOT EXIST, THE FIDUCIARY MAY PROCEED WITH THE TRANSACTION, HOWEVER, HE OR SHE WILL NOT BE ELIGIBLE TO VOTE ON RELATED ISSUES SHOULD THEY ARISE IF THE BOARD DETERMINE S A CONFLICT DOES EXIST, THE FIDUCIARY WILL BE NOTIFIED OF THE DECISION REGARDING WHETHER THE CONTEMPLATED TRANSACTION WILL BE AUTHORIZED AS JUST, FAIR, AND REASONABLE |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|--|---|
| FORM 990, PART VI, SECTION B, LINE 15 | <p>PROCESS FOR DETERMINING COMPENSATION THE INDEPENDENT EXECUTIVE COMPENSATION COMMITTEE OF ESSENTIA HEALTH'S BOARD OF DIRECTORS IS AUTHORIZED TO FULFILL THE BOARD'S RESPONSIBILITIES REGARDING EXECUTIVE COMPENSATION CONSISTENT WITH ESSENTIA'S MISSION, VALUES AND TAX-EXEMPT STATUS, AND THE EXECUTIVE COMPENSATION COMMITTEE'S CHARTER THE EXECUTIVE COMPENSATION COMMITTEE MEETS AT LEAST TWICE ANNUALLY TO CARRY OUT ITS RESPONSIBILITIES, WHICH INCLUDE, BUT ARE NOT LIMITED TO, ESTABLISHING, REVIEWING AND MODIFYING, AS APPROPRIATE, REASONABLE COMPENSATION AND BENEFITS FOR DESIGNATED ESSENTIA EXECUTIVES WHO ARE OFFICERS OR KEY EMPLOYEES OF ESSENTIA OR ANY OF ITS AFFILIATES WHICH MAY BE PAID BY RELATED ORGANIZATIONS THE EXECUTIVE COMPENSATION COMMITTEE ENGAGES QUALIFIED INDEPENDENT COMPENSATION ADVISORS TO PROVIDE OBJECTIVE AND IMPARTIAL COMPARATIVE DATA AND TO EXPRESS OPINIONS ON TOTAL COMPENSATION REASONABLENESS THE EXECUTIVE COMPENSATION COMMITTEE MAY REQUEST ITS INDEPENDENT ADVISORS TO MONITOR COMPARABILITY DATA AND MARKETPLACE TRENDS, MAKE APPROPRIATE RECOMMENDATIONS REGARDING SALARY RANGES, AND PERIODICALLY REVIEW THE MARKET COMPETITIVENESS OF ESSENTIA EXECUTIVE COMPENSATION PACKAGES PRIOR TO ESTABLISHING OR ADJUSTING EXECUTIVE COMPENSATION, THE EXECUTIVE COMPENSATION COMMITTEE WILL OBTAIN AND RELY UPON APPROPRIATE DATA AS TO COMPARABILITY OF THE PROPOSED COMPENSATION OR ADJUSTMENTS THE EXECUTIVE COMPENSATION COMMITTEE WILL ADEQUATELY DOCUMENT THE BASIS FOR ITS DETERMINATION CONCURRENTLY WITH MAKING THOSE DETERMINATIONS THE EXECUTIVE COMPENSATION COMMITTEE MINUTES WILL INCLUDE THE TERMS OF THE APPROVED COMPENSATION AND THE DATE APPROVED, THE EXECUTIVE COMPENSATION COMMITTEE MEMBERS PRESENT DURING THE REVIEW, DISCUSSION AND APPROVAL OF THE PROPOSED COMPENSATION AND THOSE WHO VOTED ON THE PROPOSED COMPENSATION, IDENTIFICATION OF THE COMPARABILITY DATA OBTAINED AND RELIED UPON BY THE EXECUTIVE COMPENSATION COMMITTEE AND HOW THE DATA WAS OBTAINED, ANY ACTIONS BY A MEMBER OF THE EXECUTIVE COMPENSATION COMMITTEE HAVING A CONFLICT OF INTEREST, AND DOCUMENTATION OF THE BASIS FOR THE DETERMINATION THE YEAR THIS PROCESS WAS LAST UNDERTAKEN FOR ESSENTIA HEALTH'S CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, CHIEF INFORMATION OFFICER, CHIEF HUMAN RESOURCE OFFICER, SENIOR VICE PRESIDENT OF INTEGRATED CARE DELIVERY, CHIEF MEDICAL OFFICER, VICE PRESIDENT OF PUBLIC POLICY, EXECUTIVE VICE PRESIDENT, COO, CHIEF POPULATION HEALTH OFFICER, CHIEF STRATEGY OFFICER, AND CHIEF LEGAL OFFICER, ESSENTIA HEALTH EAST'S CHIEF OPERATING OFFICER AND CHIEF MEDICAL OFFICER, ESSENTIA HEALTH CENTRAL'S PRESIDENT AND CHIEF NURSING OFFICER, AND ESSENTIA HEALTH WEST'S PRESIDENT, CHIEF OPERATING OFFICER, AND CHIEF MEDICAL OFFICER WAS 2019 THE YEAR THIS PROCESS WAS LAST UNDERTAKEN FOR ESSENTIA HEALTH'S CHIEF MARKETING AND COMMUNICATIONS OFFICER AND ESSENTIA HEALTH EAST'S PRESIDENT WAS 2018</p> |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|--|---|
| FORM 990, PART VI, SECTION C, LINE 19 | AVAILABILITY OF GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, & FINANCIAL STATEMENTS TO THE PUBLIC GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST FOR THE SAME PERIOD OF DISCLOSURE AS SET FORTH IN SECTION 6104(D) |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|---------------------------------|---|
| FORM 990, PART XI, LINE 9 | NET ASSET TRANSFERS WITH RELATED ORGS 13,654,842 BOOK/TAX DIFFERENCE RELATED TO PARTNERSHIP INVESTMENTS -2,231,045 |

990 Schedule O, Supplemental Information

| Return Reference | Explanation |
|--------------------|--|
| PART XII LINE 3 | CONSOLIDATED A-133 ESSENTIA HEALTH, AS PART OF ESSENTIA HEALTH'S CONSOLIDATED FINANCIAL STATEMENTS, WAS REQUIRED AND UNDERWENT A CONSOLIDATED AUDIT SET FORTH IN THE SINGLE AUDIT ACT AND OMB CIRCULAR A-133 THE CONSOLIDATED AUDIT IS REVIEWED BY THE ESSENTIA HEALTH AUDIT COMMITTEE |

| | | | | | |
|---|--|---------------------------|--|--|------------------|
| efile GRAPHIC print - DO NOT PROCESS | | As Filed Data - | | DLN: 93493120003300 | |
| SCHEDULE R (Form 990) | Related Organizations and Unrelated Partnerships ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37. ▶ Attach to Form 990. ▶ Go to www.irs.gov/Form990 for instructions and the latest information. | | | | OMB No 1545-0047 |
| | | | | | 2018 |
| | Department of the Treasury Internal Revenue Service | Open to Public Inspection | | | |
| Name of the organization ESSENTIA HEALTH | | | | Employer identification number 20-0360007 | |

| Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33. | | | | | |
|--|-------------------------|--|---------------------|---------------------------|----------------------------------|
| (a) Name, address, and EIN (if applicable) of disregarded entity | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Total income | (e) End-of-year assets | (f) Direct controlling entity |
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| Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year. | | | | | | | |
|---|-------------------------|--|----------------------------|---|----------------------------------|--|----|
| See Additional Data Table | | | | | | | |
| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled entity? | |
| | | | | | | Yes | No |
| | | | | | | | |
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Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Predominant income(related, unrelated, excluded from tax under sections 512- 514) | (f) Share of total income | (g) Share of end-of-year assets | (h) Disproportionate allocations? | | (i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065) | (j) General or managing partner? | | (k) Percentage ownership |
|--|-------------------------|---|--|--|---------------------------------|--|---|----|--|---|----|--------------------------------|
| | | | | | | | Yes | No | | Yes | No | |
| (1) PMC-GATEWAY IMAGING LLC 705 LUNDORFF DR S SANDSTONE, MN 55072 26-1634764 | IMAGING SERVICES | MN | N/A | N/A | | | | No | | | No | |
| | | | | | | | | | | | | |
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Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Type of entity (C corp, S corp, or trust) | (f) Share of total income | (g) Share of end-of- year assets | (h) Percentage ownership | (i) Section 512(b) (13) controlled entity? | |
|---|-------------------------|---|-------------------------------------|--|---------------------------------|---|--------------------------------|---|----|
| | | | | | | | | Yes | No |
| (1) ESSENTIA HEALTH INSURANCE SERVICES SPC LTD PO BOX 1159 GRAND CAYMAN K71-1102 CJ 000000000 | SELF INSURANCE | CJ | N/A | C | 8,551,450 | 68,584,550 | 100.000 % | Yes | |
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Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest, (ii)annuities, (iii) royalties, or(iv) rent from a controlled entity

1a

No

b Gift, grant, or capital contribution to related organization(s)

1b

Yes

c Gift, grant, or capital contribution from related organization(s)

1c

Yes

d Loans or loan guarantees to or for related organization(s)

1d

No

e Loans or loan guarantees by related organization(s)

1e

No

f Dividends from related organization(s)

1f

No

g Sale of assets to related organization(s)

1g

No

h Purchase of assets from related organization(s)

1h

No

i Exchange of assets with related organization(s)

1i

No

j Lease of facilities, equipment, or other assets to related organization(s)

1j

No

k Lease of facilities, equipment, or other assets from related organization(s)

1k

No

l Performance of services or membership or fundraising solicitations for related organization(s)

1l

Yes

m Performance of services or membership or fundraising solicitations by related organization(s)

1m

No

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

1n

No

o Sharing of paid employees with related organization(s)

1o

No

p Reimbursement paid to related organization(s) for expenses

1p

No

q Reimbursement paid by related organization(s) for expenses

1q

Yes

r Other transfer of cash or property to related organization(s)

1r

Yes

s Other transfer of cash or property from related organization(s)

1s

Yes

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

See Additional Data Table

| (a) Name of related organization | (b) Transaction type (a-s) | (c) Amount involved | (d) Method of determining amount involved |
|-------------------------------------|----------------------------------|------------------------|--|
| | | | |
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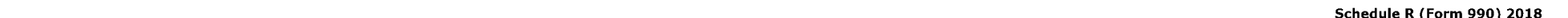
Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

| Return Reference | Explanation |
|---------------------------------|--|
| SCHEDULE R, PART II, COLUMN (A) | THE FOLLOWING ESSENTIA HEALTH ENTITIES HAVE A DOING BUSINESS AS NAME LEGAL NAME, DOING BUSINESS AS NAME BRAINERD LAKES INTEGRATED HEALTH SYSTEM, ESSENTIA HEALTH CENTRAL BRAINERD MEDICAL CENTER, INC , ESSENTIA HEALTH BRAINERD SPECIALTY CLINIC BRIDGES MEDICAL CENTER, ESSENTIA HEALTH ADA DEER RIVER HEALTHCARE CENTER, INC , ESSENTIA HEALTH DEER RIVER FIRST CARE MEDICAL SERVICES, ESSENTIA HEALTH FOSSTON GRACEVILLE HEALTH CENTER, ESSENTIA HEALTH HOLY TRINITY HOSPITAL INNOVIS HEALTH, LLC, ESSENTIA HEALTH WEST MIDWEST MEDICAL EQUIPMENT AND SUPPLIES, INC , ESSENTIA HEALTH MEDICAL EQUIPMENT & SUPPLIES NORTHERN PINES MEDICAL CENTER, ESSENTIA HEALTH NORTHERN PINES PINE MEDICAL CENTER, ESSENTIA HEALTH SANDSTONE POLINSKY MEDICAL REHABILITATION CENTER, ESSENTIA HEALTH POLINSKY MEDICAL REHABILITATION CENTER SMDC MEDICAL CENTER, ESSENTIA HEALTH DULUTH ST JOSEPH'S MEDICAL CENTER, ESSENTIA HEALTH ST JOSEPH'S MEDICAL CENTER ST MARY'S DULUTH CLINIC HEALTH SYSTEM, ESSENTIA HEALTH EAST ST MARY'S EMS, ESSENTIA HEALTH ST MARY'S EMERGENCY MEDICAL SERVICES-DETROIT LAKES ST MARY'S HOSPITAL OF SUPERIOR, ESSENTIA HEALTH ST MARY'S HOSPITAL-SUPERIOR ST MARY'S MEDICAL CENTER, ESSENTIA HEALTH ST MARY'S MEDICAL CENTER ST MARY'S REGIONAL HEALTH CENTER, ESSENTIA HEALTH ST MARY'S-DETROIT LAKES |



Additional Data

Software ID:
Software Version:
EIN: 20-0360007
Name: ESSENTIA HEALTH

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c) (3)) | (f) Direct controlling entity | (g) Section 512 (b)(13) controlled entity? | |
|--|---|---|-------------------------------|---|---|--|----|
| | | | | | | Yes | No |
| 2024 S 6TH ST BRAINERD, MN 56401 37-1532145 | SUPPORTING ORG | MN | 501(C)(3) | LINE 12B, II | ESSENTIA HEALTH | Yes | |
| 2024 S 6TH ST BRAINERD, MN 56401 37-1532148 | CLINIC | MN | 501(C)(3) | LINE 3 | BRAINERD LAKES INTEGRATED HEALTH SYSTEM | Yes | |
| 201 9TH ST W ADA, MN 56510 20-0479568 | HOSPITAL/CLINIC | MN | 501(C)(3) | LINE 3 | INNOVIS HEALTH LLC | Yes | |
| 301 CEDAR OROFINO, ID 83544 82-0497771 | HOSPITAL/CLINIC | ID | 501(C)(3) | LINE 3 | CRITICAL ACCESS GROUP | Yes | |
| 503 E 3RD ST STE 400 DULUTH, MN 55805 26-1219624 | SUPPORTING ORG | MN | 501(C)(3) | LINE 12B, II | ESSENTIA HEALTH | Yes | |
| 115 10TH AVE NE DEER RIVER, MN 56636 41-0844574 | HOSPITAL/CLINIC/SKILLED NURSING FACILITY | MN | 501(C)(3) | LINE 3 | ST MARY'S DULUTH CLINIC HEALTH SYSTEM | Yes | |
| 502 E 2ND ST DULUTH, MN 55805 27-1984704 | FOUNDATION | MN | 501(C)(3) | LINE 7 | ESSENTIA HEALTH | Yes | |
| 502 E 2ND ST DULUTH, MN 55805 27-1291124 | RESEARCH | MN | 501(C)(3) | LINE 4 | THE DULUTH CLINIC LTD | Yes | |
| 900 HILLIGOSS BLVD SE FOSSTON, MN 56542 41-0706143 | HOSPITAL/CLINIC/SKILLED NURSING FACILITY | MN | 501(C)(3) | LINE 3 | INNOVIS HEALTH LLC | Yes | |
| 115 WEST 2ND ST GRACEVILLE, MN 56240 41-0726173 | HOSPITAL/CLINIC/SKILLED NURSING FACILITY | MN | 501(C)(3) | LINE 3 | INNOVIS HEALTH LLC | Yes | |
| 3000 32ND AVE S FARGO, ND 58103 26-1175213 | HOSPITAL/CLINIC | DE | 501(C)(3) | LINE 3 | ESSENTIA HEALTH | Yes | |
| 4418 HAINES RD DULUTH, MN 55811 41-1674021 | MEDICAL EQUIPMENT | MN | 501(C)(3) | LINE 10 | ST MARY'S MEDICAL CENTER | Yes | |
| 5211 HWY 110 AURORA, MN 55705 41-0841441 | HOSPITAL/CLINIC/SKILLED NURSING FACILITY | MN | 501(C)(3) | LINE 3 | ST MARY'S DULUTH CLINIC HEALTH SYSTEM | Yes | |
| 705 LUNDORFF DR S SANDSTONE, MN 55072 41-1884597 | HOSPITAL | MN | 501(C)(3) | LINE 3 | ST MARY'S DULUTH CLINIC HEALTH SYSTEM | Yes | |
| 530 E 2ND ST DULUTH, MN 55805 41-0691275 | REHABILITATION SERVICES | MN | 501(C)(3) | LINE 3 | ST MARY'S MEDICAL CENTER | Yes | |
| 502 E 2ND ST DULUTH, MN 55805 41-1878730 | HOSPITAL/CLINIC | MN | 501(C)(3) | LINE 3 | ST MARY'S DULUTH CLINIC HEALTH SYSTEM | Yes | |
| 523 N 3RD ST BRAINERD, MN 56401 41-0695602 | HOSPITAL/CLINIC | MN | 501(C)(3) | LINE 3 | BRAINERD LAKES INTEGRATED HEALTH SYSTEM | Yes | |
| 407 E 3RD ST DULUTH, MN 55805 41-1836633 | SUPPORTING ORG | MN | 501(C)(3) | LINE 12B, II | ESSENTIA HEALTH | Yes | |
| 1027 WASHINGTON AVE DETROIT LAKES, MN 56501 41-1805811 | EMERGENCY SERVICES | MN | 501(C)(3) | LINE 10 | INNOVIS HEALTH LLC | Yes | |
| 3500 TOWER AVE SUPERIOR, WI 54880 41-1811073 | HOSPITAL/CLINIC | MN | 501(C)(3) | LINE 3 | ST MARY'S MEDICAL CENTER | Yes | |

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512 (b)(13) controlled entity? | |
|--|--|---|----------------------------|--|---------------------------------------|---|----|
| | | | | | | Yes | No |
| PO BOX 137 COTTONWOOD, ID 83522 82-0226453 | HOSPITAL/CLINIC | ID | 501(C)(3) | LINE 3 | CRITICAL ACCESS GROUP | Yes | |
| 1027 WASHINGTON AVE DETROIT LAKES, MN 56501 26-2861321 | PHARMACY | MN | 501(C)(3) | LINE 3 | INNOVIS HEALTH LLC | Yes | |
| 407 E 3RD ST DULUTH, MN 55805 41-0695604 | HOSPITAL | MN | 501(C)(3) | LINE 3 | ST MARY'S DULUTH CLINIC HEALTH SYSTEM | Yes | |
| 1027 WASHINGTON AVE DETROIT LAKES, MN 56501 41-1620386 | HOSPITAL/CLINIC/SKILLED NURSING FACILITY | MN | 501(C)(3) | LINE 3 | INNOVIS HEALTH LLC | Yes | |
| 400 E 3RD ST DULUTH, MN 55805 41-0883623 | CLINIC | MN | 501(C)(3) | LINE 3 | ST MARY'S DULUTH CLINIC HEALTH SYSTEM | Yes | |

Form 990, Schedule R, Part V - Transactions With Related Organizations

| (a) Name of related organization | | (b) Transaction type(a-s) | (c) Amount Involved | (d) Method of determining amount involved |
|--|--|--|-------------------------------|---|
| (1) | BRAINERD MEDICAL CENTER INC | L | 1,414,153 | ACTUAL COSTS |
| (1) | BRAINERD MEDICAL CENTER INC | Q | 849,227 | ACTUAL COSTS |
| (2) | BRIDGES MEDICAL CENTER | L | 798,214 | ACTUAL COSTS |
| (3) | BRIDGES MEDICAL CENTER | Q | 681,492 | ACTUAL COSTS |
| (4) | BRIDGES MEDICAL CENTER | R | 2,000,000 | ACTUAL COSTS |
| (5) | CLEARWATER VALLEY HOSPITAL AND CLINICS INC | Q | 327,804 | ACTUAL COSTS |
| (6) | CRITICAL ACCESS GROUP | L | 499,992 | ACTUAL COSTS |
| (7) | CRITICAL ACCESS GROUP | R | 1,000,000 | ACTUAL COSTS |
| (8) | DEER RIVER HEALTHCARE CENTER INC | L | 2,631,756 | ACTUAL COSTS |
| (9) | DEER RIVER HEALTHCARE CENTER INC | Q | 2,164,764 | ACTUAL COSTS |
| (10) | ESSENTIA HEALTH FOUNDATION | Q | 119,269 | ACTUAL COSTS |
| (11) | ESSENTIA HEALTH INSURANCE SERVICES SPC | Q | 2,201,007 | ACTUAL COSTS |
| (12) | ESSENTIA HEALTH INSURANCE SERVICES SPC | R | 15,939,600 | ACTUAL COSTS |
| (13) | ESSENTIA HEALTH INSURANCE SERVICES SPC | S | 11,545,000 | ACTUAL COSTS |
| (14) | ESSENTIA INSTITUTE OF RURAL HEALTH | L | 600,000 | ACTUAL COSTS |
| (15) | ESSENTIA INSTITUTE OF RURAL HEALTH | Q | 865,516 | ACTUAL COSTS |
| (16) | FIRST CARE MEDICAL SERVICES | L | 2,471,641 | ACTUAL COSTS |
| (17) | FIRST CARE MEDICAL SERVICES | Q | 1,613,791 | ACTUAL COSTS |
| (18) | FIRST CARE MEDICAL SERVICES | R | 3,000,000 | ACTUAL COSTS |
| (19) | GRACEVILLE HEALTH CENTER | L | 863,127 | ACTUAL COSTS |
| (20) | GRACEVILLE HEALTH CENTER | Q | 830,538 | ACTUAL COSTS |
| (21) | INNOVIS HEALTH LLC | L | 29,838,969 | ACTUAL COSTS |
| (22) | INNOVIS HEALTH LLC | Q | 21,006,395 | ACTUAL COSTS |
| (23) | INNOVIS HEALTH LLC | S | 5,917,990 | ACTUAL COSTS |
| (24) | MIDWEST MEDICAL EQUIPMENT AND SUPPLIES INC | L | 633,625 | ACTUAL COSTS |

Form 990, Schedule R, Part V - Transactions With Related Organizations

| (a) Name of related organization | | (b) Transaction type(a-s) | (c) Amount Involved | (d) Method of determining amount involved |
|--|--|--|-------------------------------|---|
| (26) | MIDWEST MEDICAL EQUIPMENT AND SUPPLIES INC | Q | 794,748 | ACTUAL COSTS |
| (1) | NORTHERN PINES MEDICAL CENTER | L | 1,428,845 | ACTUAL COSTS |
| (2) | NORTHERN PINES MEDICAL CENTER | Q | 1,126,381 | ACTUAL COSTS |
| (3) | PINE MEDICAL CENTER | L | 1,439,859 | ACTUAL COSTS |
| (4) | PINE MEDICAL CENTER | Q | 1,194,158 | ACTUAL COSTS |
| (5) | POLINSKY MEDICAL REHABILITATION CENTER | L | 963,599 | ACTUAL COSTS |
| (6) | POLINSKY MEDICAL REHABILITATION CENTER | Q | 1,255,259 | ACTUAL COSTS |
| (7) | SMDC MEDICAL CENTER | L | 40,639,254 | ACTUAL COSTS |
| (8) | SMDC MEDICAL CENTER | Q | 40,927,544 | ACTUAL COSTS |
| (9) | SMDC MEDICAL CENTER | R | 4,128,516 | ACTUAL COSTS |
| (10) | ST JOSEPH'S MEDICAL CENTER | L | 15,391,629 | ACTUAL COSTS |
| (11) | ST JOSEPH'S MEDICAL CENTER | Q | 11,079,381 | ACTUAL COSTS |
| (12) | ST JOSEPH'S MEDICAL CENTER | R | 6,100,000 | ACTUAL COSTS |
| (13) | ST MARY'S EMS | L | 238,682 | ACTUAL COSTS |
| (14) | ST MARY'S EMS | Q | 123,041 | ACTUAL COSTS |
| (15) | ST MARY'S EMS | R | 2,000,000 | ACTUAL COSTS |
| (16) | ST MARY'S HOSPITAL OF SUPERIOR | L | 4,201,407 | ACTUAL COSTS |
| (17) | ST MARY'S HOSPITAL OF SUPERIOR | Q | 4,430,123 | ACTUAL COSTS |
| (18) | ST MARY'S HOSPITAL OF SUPERIOR | R | 5,009,155 | ACTUAL COSTS |
| (19) | ST MARY'S HOSPITAL INC | Q | 327,053 | ACTUAL COSTS |
| (20) | ST MARY'S INNOVIS HEALTH | L | 293,387 | ACTUAL COSTS |
| (21) | ST MARY'S INNOVIS HEALTH | Q | 109,265 | ACTUAL COSTS |
| (22) | ST MARY'S MEDICAL CENTER | L | 33,698,404 | ACTUAL COSTS |
| (23) | ST MARY'S MEDICAL CENTER | Q | 30,618,507 | ACTUAL COSTS |
| (24) | ST MARY'S MEDICAL CENTER | R | 29,337,400 | ACTUAL COSTS |

| Form 990, Schedule R, Part V - Transactions With Related Organizations | | | |
|--|------------------------------|------------------------|--|
| (a) Name of related organization | (b) Transaction type(a-s) | (c) Amount Involved | (d) Method of determining amount involved |
| (51) ST MARY'S REGIONAL HEALTH CENTER | L | 9,864,965 | ACTUAL COSTS |
| (1) ST MARY'S REGIONAL HEALTH CENTER | Q | 8,310,586 | ACTUAL COSTS |
| (2) ST MARY'S REGIONAL HEALTH CENTER | R | 1,400,000 | ACTUAL COSTS |
| (3) THE DULUTH CLINIC LTD | L | 11,478,495 | ACTUAL COSTS |
| (4) THE DULUTH CLINIC LTD | Q | 6,162,324 | ACTUAL COSTS |